EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

July 7, 2005

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

> RE: APPLICATION FOR PERMIT TO DRILL SOUTH CHAPITA 19-3 SE/NE, SEC. 3, T10S, R23E UINTAH COUNTY, UTAH LEASE NO.: UTU-80613 FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Phone: (435)789-4120

Fax: (435)789-1420

Sincerely,

Ed Trotter Agent EOG Resources, Inc.

Attachments

RECEIVED.
JUL 1 3 2005

DIV. OF OIL, GAS & MINING

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

T	T	T	-8	n	6	1	3
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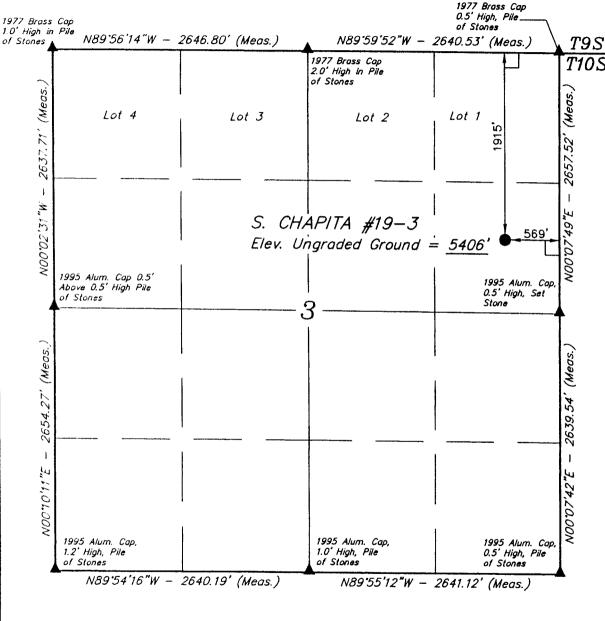
If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENTER

					
la. Type of Work: X DRILL	REENTER	7. If Unit	or CA Agreer	ment, Name and No.	
1b. Type of Well: Oil Well X Gas Well C	Other Single Zone X Multiple Zone		8. Lease Name and Well No. SOUTH CHAPITA 19-3		
2. Name of Operator EOG RESOURCES, INC.		9. API We		-36906	
3a. Address P.O. BOX 1815 VERNAL, UT 84078	3b. Phone No. (Include area code) (435)789-0790	10. Field and	•	loratory	
4. Location of Well (Report location clearly and in according 447) At surface 1915' FNL, 569' FEL At proposed prod. Zone 4426		11. Sec., T., I		R23E,	
14. Distance in miles and direction from nearest town or p 30.23 MILES SOUTHEAST OF C	URAY, UTAH	12. County or UINT	AH	13. State UTAH	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease 642	17. Spacing Unit	dedicated to t	his well	
 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C 	19. Proposed Depth 8270 ^c		BLM/BIA Bond No. on file NM-2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5402.1 FEET GRADED GROUNI	22. Approximate date work will start* UPON APPROVAL	23.	Esti mated of 45 DAY		
	24. Attachments				
Attachments The following, completed in accordance with the requ	airements of Onshore Oil and Gas Order No. 1, s	hall be attached to thi	s form:		
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National SUPO shall be filed with the appropriate Forest Se 	(see Item 20 at Forest System Lands, the 5. Operator certificat	ion. cific information and/	·	J	
25. Signature	Name (Printed/Typed) Ed Trotter		Е	July 7, 2005	
Title Agent					
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILI ENVIRONMENTAL SCIENTIS	T III	Date O7 -	18-05	
Title	Office				
Application approval does not warrant or certify that the ap conduct operations thereon. Conditions of Approval, if any, are attached.	plicant holds legal or equitable title to those right	s in the subject lease v	which would	entitle the applicant to	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T10S, R23E, S.L.B.&M.



LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 27)

LATITUDE = 39'58'47.92" (39.979978) LONGITUDE = 109'18'18.01" (109.305003)

EOG RESOURCES, INC.

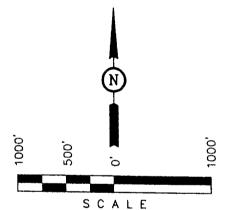
Well location, S. CHAPITA #19-3, located as shown in the SE 1/4 NE 1/4 of Section 3, T10S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

T10.S BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLEP

REGISTERED LAND SURVEYOR BEGISTRATION NO. 161319

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

`	- 100 1011					
SCALE 1" = 1000'	DATE SURVEYED: 02-16-04	DATE DRAWN: 2-20-04				
PARTY K.K. K.G. C.G.	REFERENCES G.L.O. PLA	REFERENCES G.L.O. PLAT				
WEATHER COLD	FILE EOG RESOUI	RCES, INC.				

EIGHT POINT PLAN SOUTH CHAPITA 19-3 SE/NE, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,543'
Wasatch	4,159'
North Horn	6,025'
Island	6,298'
KMV Price River	6,525'
KMV Price River Middle	7,082'
KMV Price River Lower	7,684'
Sego	8,171'

Estimated TD: 8,270' or 200'± below Sego top

Anticipated BHP: 4,515 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

DATING PACTOR

4. CASING PROGRAM:

							KAII	ING FACTOR	
HOLE SIZE	<u>INTERVAL</u>	LENGTH	<u>SIZE</u>	WEIGHT	GRADE	THREAD	COLLAPS	SE BURST TENSILE	
12-1/4"	$0' - 2,300'KB \pm$	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi 394,000#	
7-7/8"	$2,300' \pm - TD$	$8,270 \pm$	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi 223,000#	

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (50± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN SOUTH CHAPITA 19-3 SE/NE, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

EIGHT POINT PLAN SOUTH CHAPITA 19-3 SE/NE, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead: 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65

(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19

gps water.

Tail: 540 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, $1.28 \text{ ft}^3/\text{sk.}$, 5.9 gps water.

Note: Number of sacks is based on gauged hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail

volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300' \pm - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED. CASING FLANGE IS 11" 5000 PSIG RATED. **ROTATING HEAD** BOPE 11" 5000 PSIG TESTING PROCEDURE: FLOW LINE 1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days. 2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig. 3. Annular preventor will be tested to 50% of working pressure, 2500 psig. **ANNULAR** 4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst **PREVENTER** strength, whichever is greater. 5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams. 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications. **BLIND OR PIPE RAMS CHOKE MANIFOLD** 2" MIN ADJUSTABLE CHOKE TO MUD/GAS SEPARATOR OR PIT **BLIND OR PIPE RAMS** 3" MINIMUM RATED **5000 PSIG** 2" KILL LINE 3" MINIMUM BLEED LINE TO PIT 3" DIAMETER **CASING** \FLANGE/ 2" MINIMUM SPOOL 11" 5000 PSIG TO MUD/GAS SEPARATOR ADJUSTABLE CHOKE OR PIT (Note: Blind Rams may be installed above or below the pipe rams)

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator:

EOG Resources, Inc.

Well Name & Number: South Chapita 19-3

Lease Number:

UTU-80613

Location:

1915' FNL & 569' FEL, SE/NE, Sec. 3,

T10S, R23E, S.L.B.&M., Uintah County, Utah

Surface Ownership:

Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice:

- at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing

- twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running

casing and tests.

First Production

Notice

- within five (5) business days after new

Well begins or production resumes after Well has been off production for more

than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 30.23 miles southeast of Ouray, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 400 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF</u> PROPOSED WELL LOCATION

- A. Abandoned wells 2*
- B. Producing wells 1*

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 847' from proposed location to a point in the NE/NE of Section 3, T10S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of -Way grant will be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:

Wyoming Big Sage – 3 pounds per acre Gardner Salt Bush – 3 pounds per acre Indian Rice Grass – 2 pounds per acre Hi-Crest Crested Wheat Grass – 1 pound per acre. Shad Scale – 2 pounds per acre.

The reserve pit will be located on the South side of the location. The flare pit will be located downwind of the prevailing wind direction on the Southwest side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil East of Corner #4. The stockpiled location topsoil will be stored from Corner #2 to Corner #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the Northwest.

Corners #2 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. <u>DRY HOLE/ABANDONED LOCATION</u>

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal Location: Federal

12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used.
 - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT DRILLING OPERATIONS

Ed Trotter Donald Presenkowski
P.O. Box 1910 EOG Resources, Inc.
Vernal, UT 84078 P.O. Box 250

Telephone: (435)789-4120 Big Piney, WY 83113 Fax: (435)789-1420 Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the South Chapita 19-3 Well, located in the SE/NE of Section 3, T10S, R23E, Uintah County, Utah; Lease #UTU-80613; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

Date	Agent

EOG RESOURCES, INC. S. CHAPITA #19-3 SECTION 3, T10S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88: EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH: TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY. THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 3.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.65 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 400' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 30.2 MILES.

EOG RESOURCES, INC.

S. CHAPITA #19-3 LOCATED IN UINTAH COUNTY, UTAH SECTION 3, T10S, R23E, S.L.B.&M.

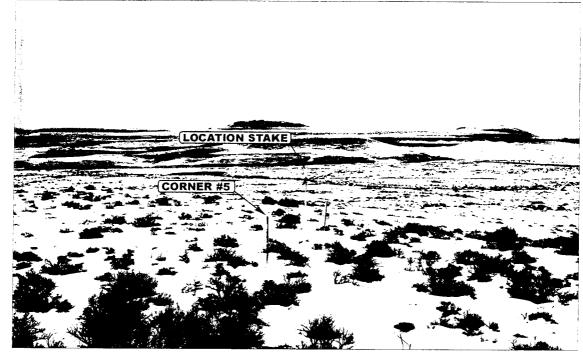


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

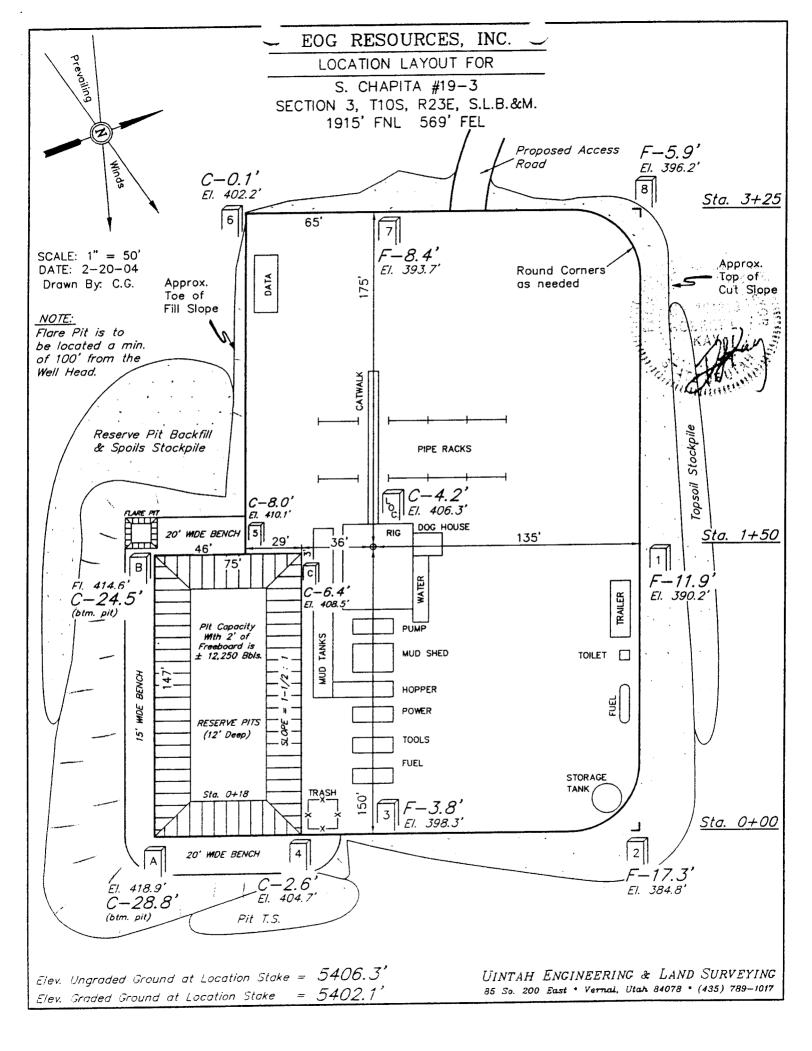
CAMERA ANGLE: SOUTHEASTERLY

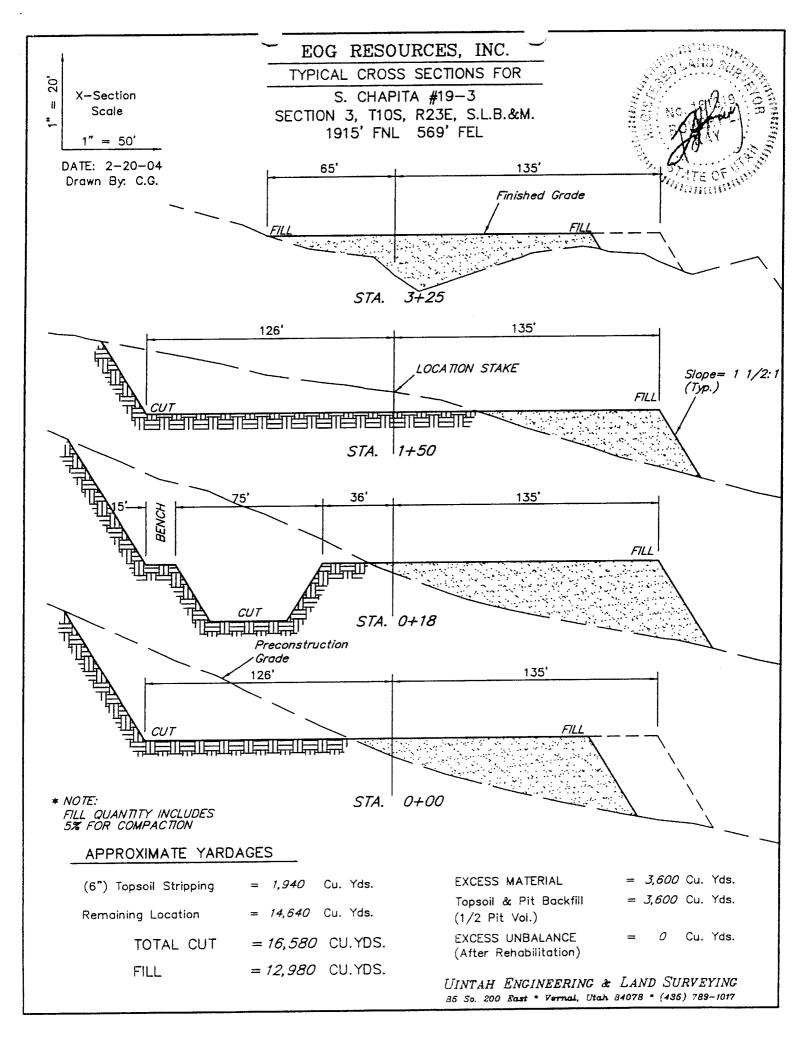
РНОТО

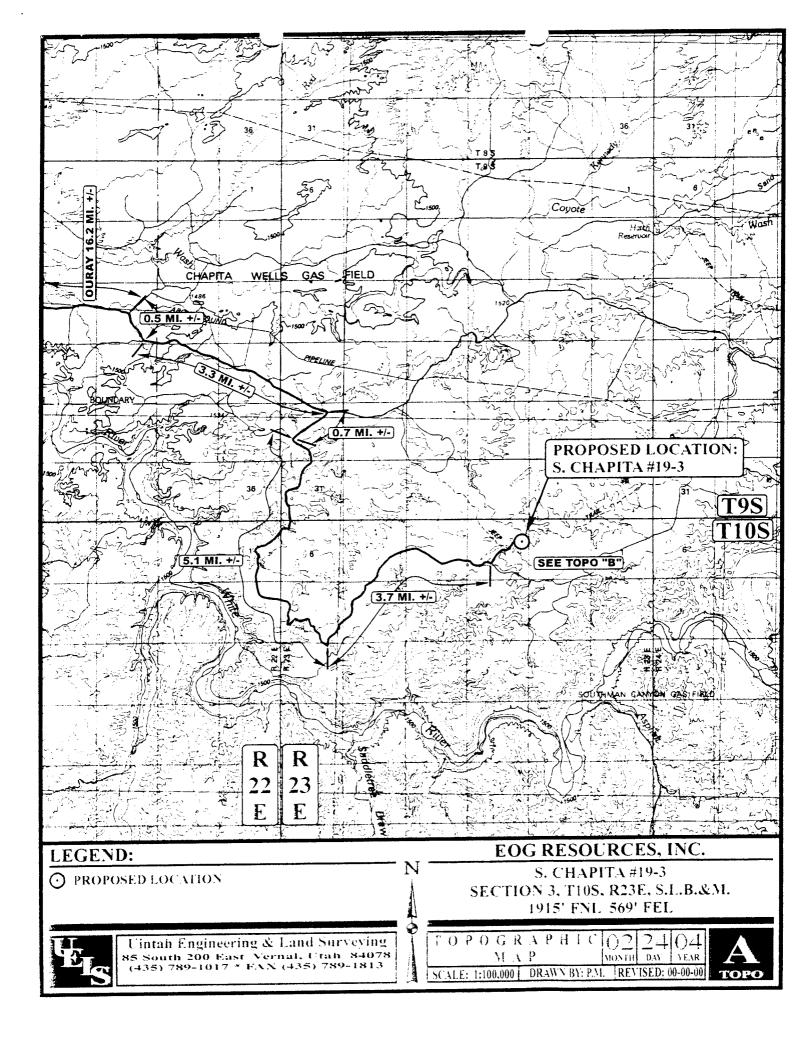


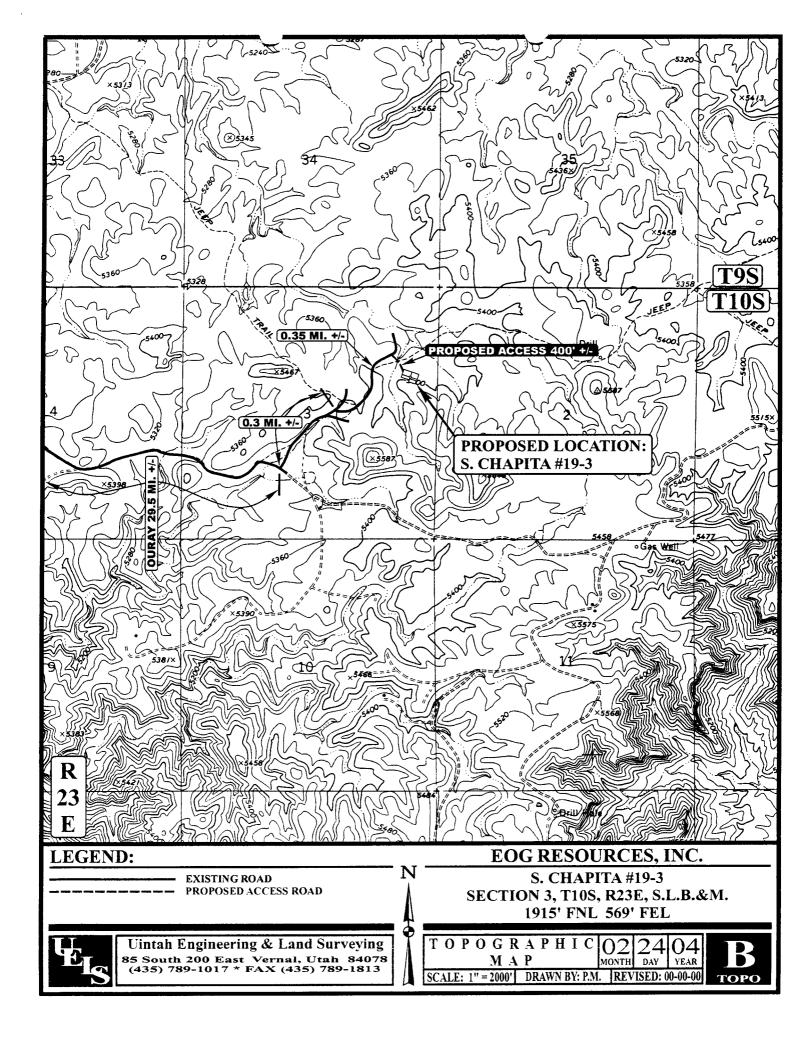
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uelsid uelsine.com

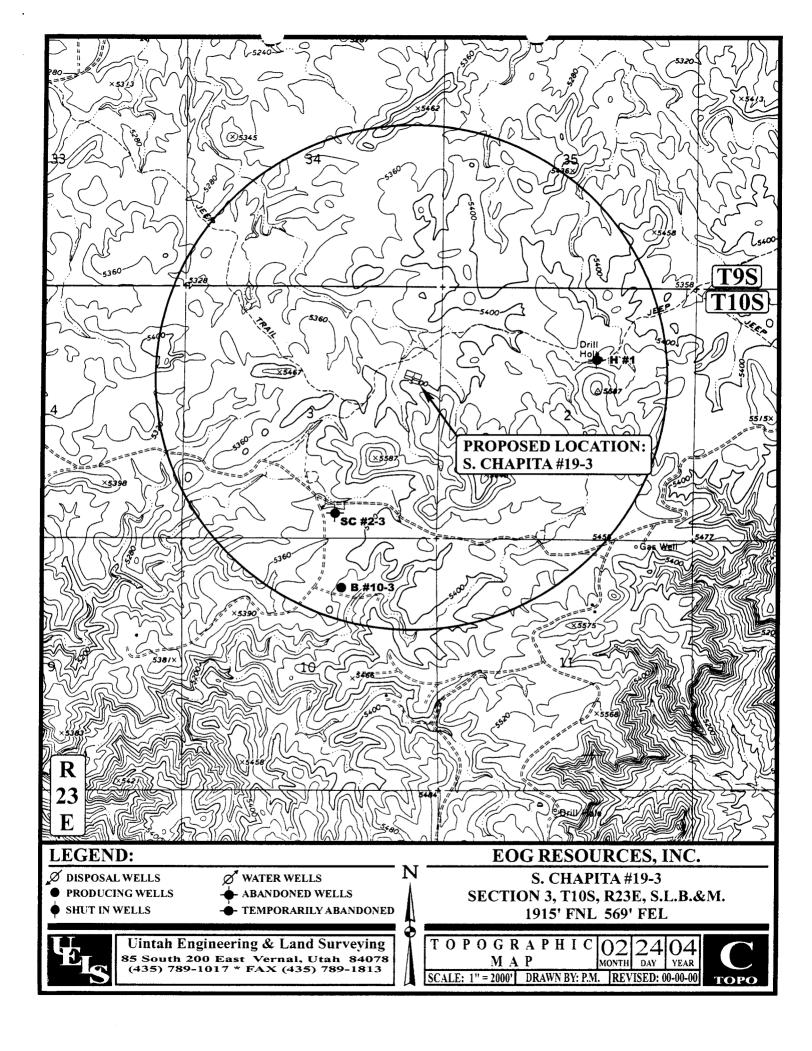
LOCATION PHOTOS		€)) <u>] ;</u>	2.1	04
		MC	Definition	DAY	year
TAKEN BY: N.H.	DRAWN BY: P.M		REV	ISED: 0	0-00-00

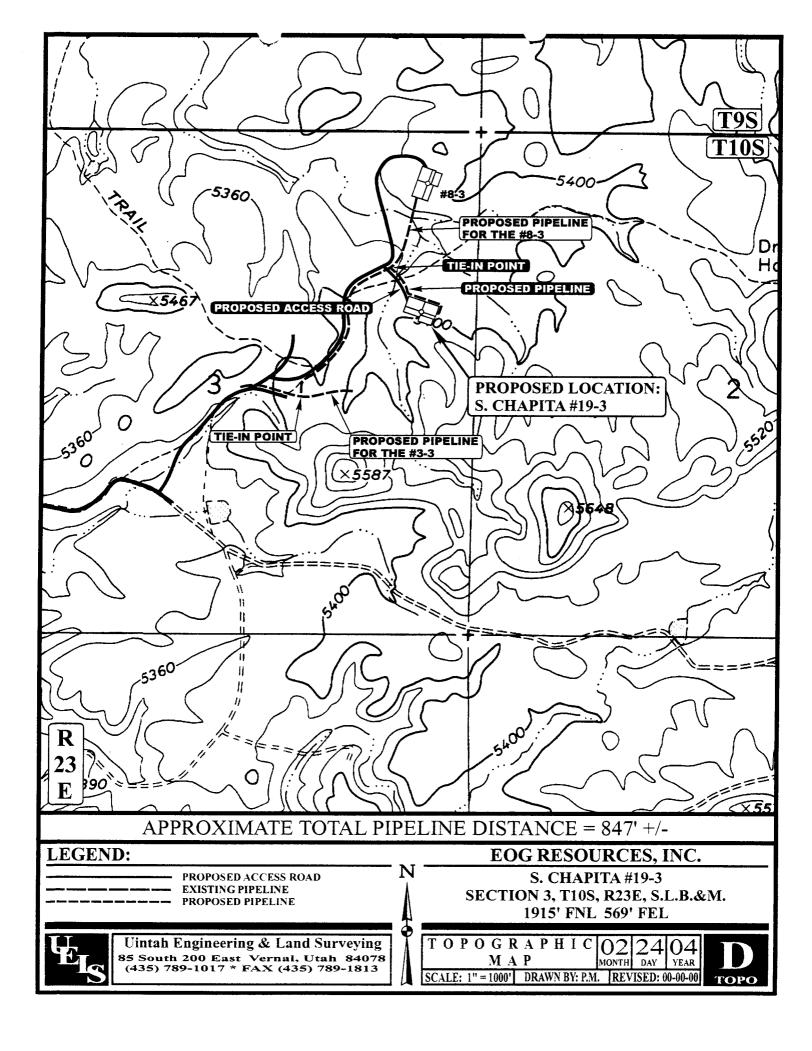






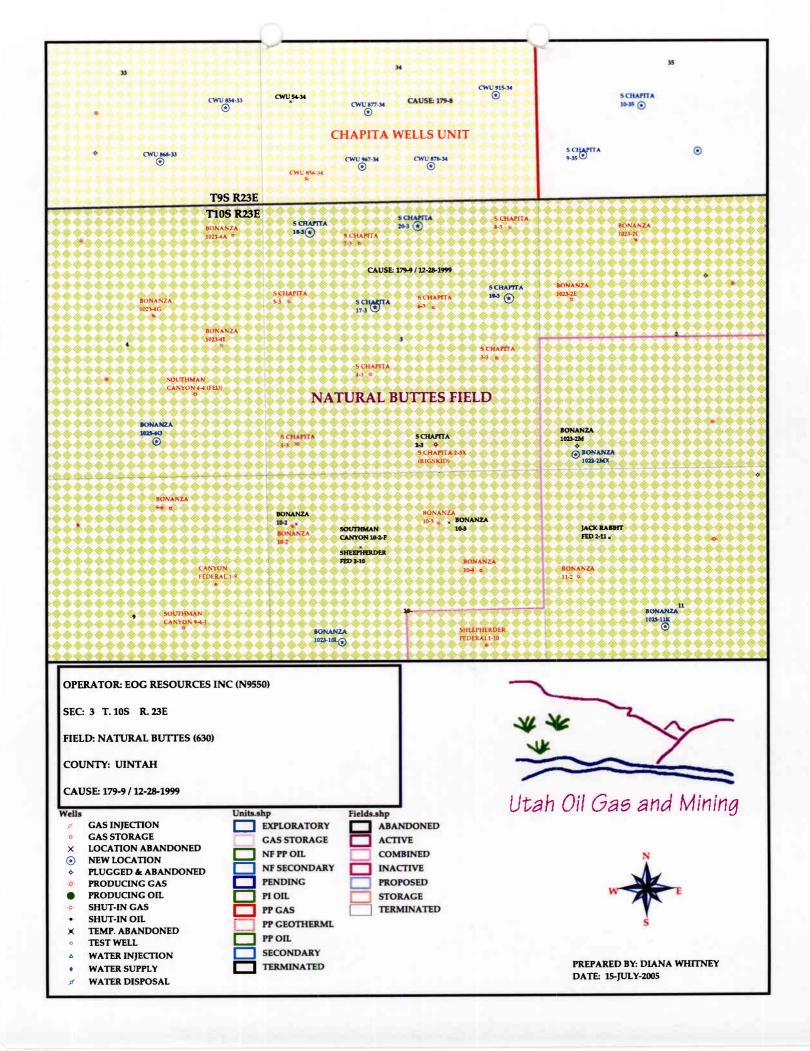






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/13/2005	API NO. ASSIGNED: 43-047-36906
WELL NAME: S CHAPITA 19-3 OPERATOR: EOG RESOURCES INC (N9550) CONTACT: ED TROTTER PROPOSED LOCATION: SENE 03 100S 230E SURFACE: 1915 FNL 0569 FEL BOTTOM: 1915 FNL 0569 FEL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-80613 SURFACE OWNER: 1 - Federal PROPOSED FORMATION: PRRV COALBED METHANE WELL? NO	PHONE NUMBER: 435-789-4120 INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 39.97999 LONGITUDE: -109.3051
RECEIVED AND/OR REVIEWED: Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM-2308) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-1501) RDCC Review (Y/N) (Date:) NIM Fee Surf Agreement (Y/N)	LOCATION AND SITING: R649-2-3. Unit R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: 179-9 Eff Date: 12-28-1999 Siting: 460' from Qtr/Qtr & 920' Between Wells R649-3-11. Directional Drill
STIPULATIONS: 1- Reduce () Mppr	





State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER **Executive Director**

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > July 18, 2005

EOG Resources, Inc. P O Box 1815 Vernal, UT 84078

Re:

South Chapita 19-3 Well, 1915' FNL, 569' FEL, SE NE, Sec. 3,

T. 10 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36906.

Sincerely,

Gil Hunt

Acting Associate Director

pab **Enclosures**

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	EOG Resources, Inc.				
Well Name & Number	South Chapita 19	-3			
API Number:	43-047-36906				
Lease:	UTU-80613				
Location: <u>SE NE</u>	Sec. 3	T. 10 South	R. <u>23 East</u>		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES DEPARTMENT OF THE INTERIOR JUL 1 2 2005 5. Lease Serial No. BUREAU OF LAND MANAGEMENT

T	JT	IJ	-80	6	13
u	, ,	U	-00	v	IJ

If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT	'TO DRIL	L OR REENTER
------------------------	----------	--------------

			1		
1a. Type of Work: X DRILL	REENTER		7. If t	Init or CA Agree	nent, Name and No.
				se Name and We	
1b. Type of Well: Oil Well X Gas Well Other	er Single Zone X Multiple Zon	ne	S	OUTH CHA	APITA 19-3
2. Name of Operator			9. AP	Well No.	
EOG RESOURCES, INC.			4	3.047.	36906
3a. Address P.O. BOX 1815	3b. Phone No. (Include area code)		10. Field	and Pool, or Exp	loratory
VERNAL, UT 84078	(435)789-0790		NA.	TURAL B	UTTES
4. Location of Well (Report location clearly and in accordance	nce with any State requirements.*)		11. Sec.,	T., R., M., or Bl	k. and Survey or Area
At surface 1915' FNL, 569' FEL	SE/NE		SE	C. 3, T10S,	R23E.
, ,	22.712			S.L.B.&M	
At proposed prod. Zone			1		
14. Distance in miles and direction from nearest town or post				ty or Parish	13. State
30.23 MILES SOUTHEAST OF OU	16. No. of Acres in lease	1 17		NTAH Unit dedicated to	UTAH
15. Distance from proposed* location to nearest 569°			320	Cint dedicated to	#115 WW11
property or lease line, ft.	642		320		
(Also to nearest drig. Unit line, if any)					
18. Distance from proposed location*	19. Proposed Depth	20.		A Bond No. on file	е
to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	8270°		NM-	2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*			23. Esti mated	duration
5402.1 FEET GRADED GROUND	UPON APPROVAL			45 DA	YS
	24. Attachments				
Attachments The following, completed in accordance with the require	ements of Onshore Oil and Gas Order No.	1, shall b	e attached	to this form:	
1. Well plat certified by a registered surveyor.		-	ations unle	ss covered by an	existing bond on file
2. A Drilling Plan.	(see Item 20 rest System Lands, the 5. Operator certification of the state of the s	,			
A Surface Use Plan (if the location is on National For SUPO shall be filed with the appropriate Forest Serv	ice Office). 6. Such other site so by the author	specific i		and/or plans as r	nay be required
25. Signature	Name (Printed/Typed) REC	EIV	ED		Date
23. Signature	Ed Trotter				July 7, 2005
	DEC	202	005	<u> </u>	
Title				_	
Agent	DIV. OF OIL	L, GAS	& MININ	<u> </u>	
Approved by (Signature)	Name (Printed/Typed)			Date	
1/ (1)/1/2 [į			12/	14/2006
/ HOWALK D JOURNES	1				11/2007
Title Assistant Field Manager	Office				/
Mineral Resolutes	r i				1
			ha auhiaat	laana suhiah suasil	d entitle the applicant to

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

TIONS OF APPROVAL ATTACHED

Page 1 of 6 Well: South Chapita 19-3 12/13/2005



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**

170 South 500 East **VERNAL, UT 84078** (435) 781-4400



Cell: 435-828-4470

Cell: 435-828-7875

Cell: 435-828-3913

Cell: 435-828-4029

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources, Inc.

Location:

SENE, Sec. 3, T10S, R23E

Well No:

South Chapita 19-3

Lease No:

UTU-80613

API No:

43-047-36906

Agreement:

N/A

Petroleum Engineer: Petroleum Engineer:

Supervisory Petroleum Technician:

Environmental Scientist: Environmental Scientist:

Natural Resource Specialist:

Natural Resource Specialist: After hours contact number: (435) 781-4513

Matt Baker Michael Lee

Jamie Sparger Paul Buhler

Karl Wright Holly Villa

Melissa Hawk

Office: 435-781-4484 Office: 435-781-4404 Office: 435-781-4476

FAX: (435) 781-4410

Office: 435-781-4490

Office: 435-781-4432

Office: 435-781-4502

Office: 435-781-4475

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)

- Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Paul Buhler)

- Prior to moving on the drilling rig.

Spud Notice (Notify PE)

- Twenty-Four (24) hours prior to spudding the well.

Casing String & Cementing (Notify SPT

- Twenty-Four (24) hours prior to running casing and cementing) all casing strings.

BOP & Related Equipment Tests (Notify SPT)

- Twenty-Four (24) hours prior to initiating pressure tests.

First Production Notice (Notify PE)

- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: South Chapita 19-3

12/16/2005

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- 1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- 2. As a Best Management Practice (BMP), the pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).
- 3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

Page 3 of 6 Well: South Chapita 19-3 12/13/2005

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- 1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- 4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

- 5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- 6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended

Page 4 of 6 Well: South Chapita 19-3 12/13/2005

for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the

Page 5 of 6 Well: South Chapita 19-3 12/13/2005

API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- 11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- 15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

Page 6 of 6 Well: South Chapita 19-3 12/13/2005

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company:	ne of Company: EOG RESOURCES INC		
Well Name:	S CHAPITA 19-3		
Api No: 43-047-36	Lease Type:	FEDERAL	
Section 03 Township	10S Range 23E County	UINTAH	
Drilling Contractor	ROCKER DRILLING	RIG #_ <u>1</u>	
Time	04/11/06 3:00 PM DRY nce:	se Type: FEDERAL County UINTAH ING RIG # 1	
Reported by	DALL COOK		
Date 04/12/2006	Signed CHD		

FORM 6

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM

ENTITY	ACTION	FORM

Operator:

EOG RESOURCES

Operator Account Number: N 9550

Address:

P.O. BOX 1815

city VERNAL

zip 84078 state UT

Phone Number: (435) 781-9111

... .. .

	Name	QQ_	Sec	Twp	Rng	County
CHAPITA 1	3.3	CENE				
	JQ	36906 SOUTH CHAPITA 19-3 SENE	3	10\$	23E UINTAH	
nt Entity mber	New Entity Number	Spud Date		Entity Assignment Effective Date		
9999	15303	4/12/2006		4/	4/13/06	
	9999	mber Number	9999 /5303 4	Number Number 9999 /5303 4/12/200	9999 /5303 4/12/2006	9999 15303 4/12/2006 4/

oll 2		.1	QQ	Sec	Twp	Rng	County
API Number	Well	Name			1000 1111		
43-047-36920	CHAPITA WELLS U	IT 1006-22 SESE 22		SE 22 9S		22E UINTAH	
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	13650	4/12/2006		14	4/12/06	
Comments: ρ_R	PI) = MURD					<u> </u>	ν
Comments: PR	RU=MURD					-1	K

API Number	Well	Name	QQ Sec Twp			Rng County	
Action Code	Current Entity Number	New Entity Number	9	Spud Da		Enti	ty Assignment ffective Date
omments:						<u> </u>	

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

Kaylene R. Gardner

Regulatory Assistant

4/12/2006

Title

Dato

(5/2000)

RECEIVED

APR 1 3 2006

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

5. Lease Serial No. UTU 80613

Do not use ti abandoned w	his form for proposals ell. Use Form 3160-3 (to drill or to re (APD) for such p	-enter an roposals.	6. If Indian, Allottee or Tribe	Name
SUBMIT IN TR	IPLICATE- Other inst	ructions on rev	erse side.	7. If Unit or CA/Agreement, 1	Name and/or No.
1. Type of Well Oil Well	Gas Well Other			8. Well Name and No.	
2. Name of Operator EOG RESO	URCES, INC.			9. API Well No.	-03
3a Address 3b. Phone No. (include area code) P.O. Box 1815 Vernal, UT 84078 435-781-9111		43-047-36906 10. Field and Pool, or Explora	tory Area		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		NATURAL BUTTES			
1915 FNL 569 FEL (SE/NE) S SECTION 3, T10S, R23E 39.9				11. County or Parish, State UINTAH COUNTY, U	ТАН
12. CHECK A	PPROPRIATE BOX(ES) TO	DINDICATE NATO	JRE OF NOTICE	, REPORT, OR OTHER DAT	`A
TYPE OF SUBMISSION		T	YPE OF ACTION	1	
✓ Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Reclamati		
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporari	ly Abandon	
Final Abandonment Notice	Convert to Injection	Plug Back	✓ Water Dis	osal	
testing has been completed. F determined that the site is read	inal Abandonment Notices shall be y for final inspection.) requests authorization it 21-20B SWD.	e filed only after all requi	roduced water the on of Mining	etion in a new interval, a Form 3160-4 eclamation, have been completed, and from the referenced well to	the operator has
14. I hereby certify that the form	egoing is true and correct		· · · · · · · · · · · · · · · · · · ·		
Name (Printed/Typed) Kaylene R. Gar	dner	Title	Regulatory Assis	tant	
Signature		Date		04/13/2006	
	THIS SPACE FOR	FEDERAL OR	STATE OFF	ICE USE	
Approved by			Title	Date	
Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applicant	al or equitable title to those rights	e does not warrant or in the subject lease	Office		

(Instructions on page 2)

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. RECEIVED

APR 1 4 2006

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

5. Lease Serial No.

SUNDRY NOTICES AND	REPORTS ON WELLS	UTU 80613
Do not use this form for propo abandoned well. Use Form 316	6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE- Other	er instructions on reverse side	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well	Other	8. Well Name and No.
2. Name of Operator EOG RESOURCES, INC.		SOUTH CHAPITA 19-03 9. API Well No.
3a Address P.O. Box 1815 Vernal, UT 84078	3b. Phone No. (include area code 435-781-9111	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Desc	cription)	NATURAL BUTTES
1915 FNL 569 FEL (SE/NE) S.L.B.&M SECTION 3, T10S, R23E 39.979978 LAT 109.30500	03 LON	11. County or Parish, State UINTAH COUNTY, UTAH
12. CHECK APPROPRIATE BOX	(ES) TO INDICATE NATURE OF N	OTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF A	CTION
If the proposal is to deepen directionally or recomplete hattach the Bond under which the work will be performe following completion of the involved operations. If the	Fracture Treat New Construction Plug and Abandon Plug Back Water all pertinent details, including estimated star norizontally, give subsurface locations and mend or provide the Bond No. on file with BLM/operation results in a multiple completion or m	duction (Start/Resume) Water Shut-Off Clamation Well Integrity Complete Other WELL SPUD Integrated Abandon Well Integrity Well SPUD Well SPU
EOG Resources, Inc. spud a 20" surfa representative for EOG, notified Matt Oil Gas and Mining of the spud 4/11/2	Baker of the Vernal BLM offic	n 4/11/2006 at 4:00 p.m. Dall Cook, e and Carol Daniels of the Utah Division of
14. I hereby certify that the foregoing is true and corre Name (Printed/Typed)	ect	
Kaylene Ry Gardner	Title Regulator	y Assistant
Signature Court	Date	04/13/2006
THIS SPACE	FOR FEDERAL OR STATE	OFFICE USE
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of t certify that the applicant holds legal or equitable title to the which would entitle the applicant to conduct operations the	his notice does not warrant or ose rights in the subject lease orecon. Office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, States any false, fictitious or fraudulent statements or repre	make it a crime for any person knowingly sentations as to any matter within its jurisdic	and willfully to make to any department or agency of the United

(Instructions on page 2)

APR 1 4 2006

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

5.	Lease Serial No.

OUNDDY	NOTIOES AND DE	NODWENT	(ELLO	5. Lease Sena UTU 80	
	NOTICES AND REF				Allottee or Tribe Name
abandoned we	is form for proposals to II. Use Form 3160-3 (A	APD) for such p	e-enter an proposals.	O. II ilidian,	Another of Tribe (Valle)
	PLICATE- Other instr	uctions on rev	erse side.	7. If Unit or	CA/Agreement, Name and/or No.
	Gas Well Other			8. Well Nan	ne and No. [CHAPITA 19-03
2. Name of Operator EOG RESOU	RCES, INC.			9 API We	
3a. Address P.O. Box 1815 Vernal, UT 840	78	3b. Phone No. (incl 435-781-9111	ude area code)	43-047-	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)				AL BUTTES
1915 FNL 569 FEL (SE/NE) S. SECTION 3, T10S, R23E 39.97					or Parish, State H COUNTY, UTAH
12. CHECK AP	PROPRIATE BOX(ES) TO	INDICATE NAT	URE OF NOTICE,	REPORT, OR	OTHER DATA
TYPE OF SUBMISSION	<u>*</u>	T	YPE OF ACTION		
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Constructio Plug and Abandon Plug Back	_ `	Abandon	Water Shut-Off Well Integrity Other EXCEPTION Other
determined that the site is ready	•		-		e for the referenced well.
 I hereby certify that the foreg Name (Printed/Typed) 	oing is true and correct	1			
Kaylene R. Gardi	ier	Title	Regulatory Assistant	t	
Signature	Dudin	Date		04/13/2006	
	THIS SPACE FOR F	EDERAL OR			
Approved by			Title Accepte	ed by the vision of	ate
Conditions of approval, if any, are at	tached. Approval of this notice of	does not warrant or	Utah Di	vision of	
certify that the applicant holds legal which would entitle the applicant to	or equitable title to those rights in conduct operations thereon.	n the subject lease	Offioil, Gas a	and Mini	ng 1
Title 18 U.S.C. Section 1001 and Title States any false, fictitious or fraudule	43 U.S.C. Section 1212, make it a nt statements or representations	crime for any person as to any matter withir	knov ice and differ n its jurisdiction.	OF GET LAND	department or agency of the United

(Instructions on page 2)

RECEIVED
JUL 1 3 2006

Request for Exception to Buried Pipeline Requirement South Chapita 19-03 SE/NE, Section 3, T10S, R23E Lease Number UTU 80613

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

- 1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately <u>50'X Length</u> acres.
- 2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
- 3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
- 4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
- 5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
- 6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
- 7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
- 8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
- 9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
- 10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

5.	Lease Serial No.
	T100T1 00 (13

SUNDRY NOTICES AND REPORTS O	N WELLS UTU 80613
Do not use this form for proposals to drill or abandoned well. Use Form 3160-3 (APD) for s	to re-enter an 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other instructions of	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well	8. Well Name and No.
2. Name of Operator EOG RESOURCES, INC.	SOUTH CHAPITA 19-03 9. API Well No.
	o. (include area code) 43-047-36906
P.O. Box 1815 Vernal, UT 84078 435-781-	· /
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	11. County or Parish, State
1915 FNL 569 FEL (SE/NE) S.L.B.&M SECTION 3, T10S, R23E 39.979978 LAT 109.305003 LON	UINTAH COUNTY, UTAH
12. CHECK APPROPRIATE BOX(ES) TO INDICATE	NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION
Acidize Deepen Acidize Fracture T	
Subsequent Report Casing Repair New Cons	
Final Abandonment Notice Convert to Injection Plug Back	Water Disposal
testing has been completed. Final Abandonment Notices shall be filed only after determined that the site is ready for final inspection.) EOG Resources, Inc. respectfully requests permission to piping on the referenced location.	tiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once all requirements, including reclamation, have been completed, and the operator has a set two (2) 400 bbl vertical condensate tanks and attaching
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)	1
Kaylene R. Gardner	Title Regulatory Assistant
Signature Status	Date 04/13/2006
THIS SPACE FOR FEDERAL	OR STATE OFFICE USE
Approved by Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant ocnduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter.	Action is Necessary Action is Necessary

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 200

SUNDRY Do not use the abandoned we	UTU 80613 6. If Indian, Allottee or Tribe Name			
SUBMIT IN TR	IPLICATE- Other ins	tructions on rever	se side.	7. If Unit or CA/Agreement, Name and/or No.
	Gas Well Other			8. Well Name and No.
2. Name of Operator EOG RESO	URCES, INC.			SOUTH CHAPITA 19-3 9. API Well No.
3a. Address 600 17th St., Suite 1000N, Den	ver. CO 80202	3b. Phone No. (include 303-824-5526	area code)	43-047-36906
4. Location of Well (Footage, Sec.,				10. Field and Pool, or Exploratory Area NATURAL BUTTES/MESAVERDE
1915 FNL 569 FEL (SE/NE) S SECTION 3, T10S, R23E 39,9	.L.B.&M			11. County or Parish, State UINTAH COUNTY, UTAH
12. CHECK A	PPROPRIATE BOX(ES) TO	O INDICATE NATUR	E OF NOTICE, F	REPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYI	PE OF ACTION	
Notice of Intent ✓ Subsequent Report ☐ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (St Reclamation Recomplete Temporarily A Water Disposal	Well Integrity Other Dandon
If the proposal is to deepen dire Attach the Bond under which the following completion of the in- testing has been completed. Fit determined that the site is ready	ed Operation (clearly state all pertectionally or recomplete horizonta he work will be performed or provolved operations. If the operational Abandonment Notices shall be a for final inspection.)	tinent details, including esti- lly, give subsurface location vide the Bond No. on file wan results in a multiple comp the filed only after all requires	mated starting date of a ns and measured and tra- vith BLM/BIA. Requiral letion or recompletion ments, including reclan	iny proposed work and approximate duration thereof, we vertical depths of all pertinent markers and zones, red subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has appearations summary report for

14. Thereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas T	itle Operations Cle	rk	
Signature Mary a. May an)ate	07/27/2006	
THIS SPACE FOR FEDERAL O	R STATE OF	FICE USE	
Approved by	Title	Date	
Conditions of approval, if any, are attached. Approval of this notice does not warrant of certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	b		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

WELL CHRONOLOGY REPORT

Report Generated On: 07-27-2006

Well Name	SCW 19-03	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS DEEP	API #	43-047-36906	Well Class	ISA
County, State	UINTAH, UT	Spud Date	06-07-2006	Class Date	07-26-2006
Tax Credit	N	TVD / MD	8,270/ 8,270	Property #	054589
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/0
KB / GL Elev	5,421/5,402				
Location	Section 3, T10S, R23E, SEN	IE, 1915 FNL & 569	FEL		

DRILL & COMPLETE

Operator	EO	G RESOURC	ES, INC	WI %	100	0.0		NRI %		87.5	
AFE No	•	302724		AFE Total		1.896.900		DHC/C	rwc	774.4	-00/ 1.122,500
Rig Contr	PION	NEER	Rig Name		ER #59	Start Date	07-	-192005	Release		06-14-2006
07-19-2005	Re	ported By									
DailyCosts: Dr	illing	\$0		Com	pletion	\$0		Dail	y Total	\$0	
Cum Costs: Di	rilling	\$0		Com	pletion	\$0		Well	Total	\$0	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:			PBTD : 0.0	0		Perf:			PKR De	e pth : 0.6)

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs Activity Description 06:00 06:00 24.0 LOCATION DATA

1915' FNL & 569' FEL (SE/NE) SECTION 3, T10S, R23E UINTAH COUNTY, UTAH

LAT 39.979978, LONG 109.305003 (NAD 27)

Description

PIONEER RIG #59

OBJECTIVE: 8270' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: UTU-80613

ELEVATION: 5406.3' NAT GL, 5402.1' PREP GL (DUE TO ROUNDING 5402' IS THE PREP GL), 5421' KB (19')

EOG WI 100%, NRI 87.5%

04-13-2006 Reported By ED TROTTER

Daily Costs: Drilling \$36,749 Completion \$0 Daily Total \$36,749

Cum Cos	ts: Drilling	\$	36,749	Completion \$0				Well 7	Fotal	\$36,749	
MD	0	TVĐ	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formatio	rmation: PBTD: 0.0								PKR De _l	pth: 0.0	
Activity a	t Report Ti	me: WO	BUCKET RIG								
Start	End	Hrs	Activity Des	cription							
06:00	06:00	24.0	5406' NAT GL	., CUT AT STAKI	E 4.2'.						

MI CRAIG'S ROUSTABOUT SERVICE. BUILD ACCESS ROAD & LOCATION. LINED RESERVE PIT. WO BUCKET RIG.

04-14-20		eported			K/BARNES							
DailyCost	ts: Drilling	\$	0		Com	pletion	\$0		Daily	Total	\$0	
Cum Cost	ts: Drilling	\$	36,749		Com	pletion	\$0		Well	Total	\$36,749	
MD	40	TVD	40) I	Progress	0	Days	0	MW	0.0	Visc	0.0
Formatio	n:		PBTI	0.0			Perf:			PKR De _l	pth: 0.0	
Activity a	t Report Ti	me: WO	AIR RIG									
Start	End	Hrs	Activity I	Descrip	otion							

06:00 06:00 24.0 MIRU ROCKER DRILLING RIG #1. SPUD WELL @ 3:00 PM, 4/11/2006. DRILLED 17.5" HOLE TO 40". RAN 40' OF 14", CONDUCTOR PIPE. CEMENTED CONDUCTOR TO SURFACE WITH READY MIX CEMENT.

DALL COOK NOTIFIED MIKE LEE, BLM & CAROL DANIELS, UDOGM OF WELL SPUD ON 4/11/2006 @ 2:45 PM.

Formation:			PBTD : 0	0.0		Perf:			PKR De	oth: 0.0		
MD 1,	957	TVD	1,957	Progress	0	Days	0	MW	0.0	Visc	0.0	
Cum Costs: Dri	lling	\$212	,773	Com	pletion	\$0		Well 1	Fotal	\$212,773		
DailyCosts: Dri	lling	\$176	,024	Completion \$0				Daily	Total	\$176,024		
05-24-2006	Re	ported By	C	OOK/BARNES								

Activity at Report Time: WORT

Start	End	Hrs Activity Description
06:00	06:00	24.0 MIRU CRAIGS AIR RIG # 2, DRILLED HOLE TO 1985' GL. HIT LARGE AMOUNT OF WATER @ 1480'. RAN 47

JTS (1938.60') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 1057/KD, RDMO CRAIGIS AUR DIG.

1957' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 140 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 225 SX (46 BBLS) OF CLASS G CEMENT W/2% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/147.5 BBLS FRESH WATER. BUMPED PLUG W/500 # @ 11: 56 AM, 4/20/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO CEMENT TO SURFACE. NO CIRCULATION.

TOP JOB #1 MIXED & PUMPED 100 SX (20.4 BBLS) OF CLASS G CEMENT W/4% CaC12 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 2 HOURS.

TOP JOB #2 MIXED & PUMPED 100 SX (20.4 BBLS) OF CLASS G CEMENT W/4% CaCl2 & ¼#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 5 MINUTES.

TOP JOB #3 MIXED & PUMPED 60 SX (12.3 BBL) OF CLASS G CEMENT W/2% CACL2 & ¼#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 2 HOURS.

Page 2

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TOP JOB #4 MIXED & PUMPED 225 SX (46 BBL) OF CLASS G CEMENT W/2% CACL2 & \(^4\)#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 1.5 HOURS.

TOP JOB #5 MIXED & PUMPED 120 SX (24.5 BBL) OF CLASS G CEMENT W/2% CACL2 & $\frac{1}{2}$ CACL2 & $\frac{1}{2}$ FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILL & STOOD FULL. RDMO BIG 4.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 1838' GL. PICK UP TO 1830' GL. & TOOK SURVEY -1 ¼ DEGREE.

JERRY BARNES NOTIFIED CLIFF JOHNSON W/BLM OF THE SURFACE CASING & CEMENT JOB @ 8:30 AM, 4/19/06.

06-05-2	006 1	Reported	By !	MELDER							
DailyCo	sts: Drilling	g §	514,175	Con	npletion	\$0		Daily	Total	\$14,175	
Cum Co	sts: Drilling	g S	5226,948	Con	npletion	\$0		Well '	Total	\$226,948	
MD	1,957	TVD	1,957	Progress	0	Days	0	MW	0.0	Visc	0.0
Formatio	on:		PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity	at Report 7	Ր ime։ ՏHԱ	T DOWN FOR	NIGHT							
Start	End	Hrs	Activity Des	scription							
06:00	18:00	12.0	RIG DOWN F	OR MOVE. REA	ADY FOR	TRUCKS. ON	NE FULL C	REW WORKE	ED 12 HRS R	IGGING DOW	N.

TRUCKS SCHEDULED FOR THIS MORNING. .7 MILE MOVE TO SCW 19-3.

SAFETY MEETING: RIGGING DOWN

06-06-20	06 R	eported By	M	ELDER							
DailyCost	ts: Drilling	\$18,6	53	Con	pletion	\$0		Daily	Total	\$18,653	
Cum Cos	ts: Drilling	\$245	,601	Con	pletion	\$0		Well	Fotal	, \$245,601	
MD	1,957	TVD	1,957	Progress	0	Days	0	MW	0.0	Visc	0.0
Formatio	n:		PBTD : 0	.0		Perf:			PKR De _l	pth: 0.0	
Activity a	t Report Ti	ime: RIG UP									
Start	End	Hrs Ac	tivity Desc	ription							
06:00	18:30		RU W/TRUO R RIG MOV	CKS. TRUCKS I E.	FINISHED	@ 18:30 HRS	. RIG 100%	6 MOVED. TV	VO FULL CE	REWS ON DAY	LIGHTS
18:30	06:00	11.5 DI	D NOT GET	DERRICK RAI	SED AND	SCOPED. RIC	G UP WATE	ER & ELECTE	ICAL LINE	S. ONE CREW	<i>I</i> .

SAFETY MEETING: TAILGATE SAFETY MEETING ON RIG MOVE HAZAARDS W/L&S TRUCKING AND PIONEER CREWS BEFORE STARTING TO RIG DOWN W/TRUCKS/RIGGING UP

TEMP 78-96 DEG

SAFETY: ONE MINOR ACCIDENT (HAND INJURY - NO BROKEN BONES)

TRANSFERRED 3880 GAL FROM SCW 17-3

BOP TEST NOTICE GIVEN TO ALAN WALKER W/VERNAL BLM @ 09:00 HRS ON 6/5/06

100% MOVED, 75% RIGGED UP

06-07-2006 Reported By MELDER

Maily Completion Signature Signat	DailyCae	te: Drilling	ų,	34,734	Co	mpletion	\$0		Dail	v Total	\$34,734	
May	-	• • • • • • • • • • • • • • • • • • • •				•				•		
Part		9				•		0				0.0
Start Sta			IVD		· ·	v	-	Ū	141 44			0.0
Name			me• NII R				1011.			I KK DC	ptii . 0.0	
19-30 19-		-										
19:30 23:00 33:00 33:00 33:00 30:00				•	-	SCORE DI	EDDICK DI	C LUB ET COL	o ni cwa	/E1 0 1/E1 13	/ MULTINA	PTA DT
22:30 03:45 5.25 TEST BOPS, BOPE. TESTED KELLY VALVES, FLOOR VALVES, PIPE RAMS, BLIND RAMS, MANIFOLD VALVES, KILL LINE, HORK, SUPER CHOKE TO 250 PSI LOW P75 MIN. 5000 PSI HIGH F/10 MIN.	06:00	19:30		DAYWORK RA	TE @ 19:30 F	IRS, 6/6/06.						SIAKI
MALVES, KILL LINE, CHOKE LINE, HCR. \$ UPER CHOKE TO 250 PSI LOW \$75\$ MIN, \$000 PSI HIGH \$710 MIN. \$10345												
04:30	22:30	03:45		VALVES, KILL	LINE, CHOK	E LINE, HO	CR, SUPER C	CHOKE TO 2	50 PSI LOV			
05:00 06:00 1.0 NUROT HEAD. SAFETY MEETING: RIGGING UP/NU BOPS/TESTING BOPS TEMP 67 DEG CREWS: FULL NO ACCIDENTS FUEL: 3722 GAL ON HAND, USED 158 GAL BOP TEST NOTICE GIVEN TO ALAN WALKER W/VERNAL BLM @ 14:50 HRS, 6/6/06 (DECLINED TO WITNESS TEST)	03:45	04:30	0.75	TESTED CASI	NG TO 1500 P	SI F/30 MI	٧.					
SAFETY MEETING: RIGGING UP/NU BOPS/TESTING BOPS TEMP 67 DEG	04:30	05:00	0.5	SET WEAR BU	SHING.							
TEMP 67 DEG	05:00	06:00	1.0	NU ROT HEAD).							
CREWS: FULL NO ACCIDENTS FUBL: 3722 GAL ON HAND, USED 158 GAL				SAFETY MEET	ring: Riggii	ng up/nu	BOPS/TESTI	ING BOPS				
NO ACCIDENT FUEL: 3722 GAL ON HAND, USED 158 GAL BOP TEST NOTICE GIVEN TO ALAN WALKER W/VERNAL BLM @ 14:50 HRS, 6/6/06 (DECLINED TO WITNESS) TEST				TEMP 67 DEG								
FUEL: 3722 GAL ON HAND, USED 188 GAL BOP TEST NOTICE GIVEN TO ALAN WALKER W/VERNAL BLM @ 14:50 HRS, 6/6/06 (DECLINED TO WITNESS TEST) Completion So Daily Total Sol.161 Completion So Well Total Sol.161				CREWS: FULI	- -							
No contact No												
Note												
Daily Cost: Drilling S61.161 Completion \$0 Daily Total \$61.161 Cum Cost: Drilling \$341.496 Completion \$0 Well Total \$341.496 MD 2.675 Progress 671 Days 1 MW 8.4 Visc 27.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 27.0 Activity Description Start End Hrs Activity Description 06:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:00 10:03 0.5 SUBJE & CUIT DRILL LINE 170*. STRAP BHA. 10:03 14:00 3.5 PUBLIT, MTR, REAMERS, DC'S, HWDD, JARS. 14:00 16:00 16:00 2.0 SINGLE IN HOLE W/DP. 14:00 16:00 16:00 0.5 INTERCEDED BER. 17:00 17:00 18:00 18:00					TICE GIVEN	ro alan v	VALKER W/	VERNAL BL	.M @ 14:50	HRS, 6/6/06 (I	DECLINED TO	WITNESS
Cum Costs: Drilling \$341,496 Completion \$0 Well Total \$341,496 MD 2.675 TVD 2.675 Progress 671 Days 1 MW 8.4 Vise 27.0 Formation: PBTD: 0.0 Perf: PBTD: 0.0 PKR Depth: 0.0 Activity Description Start End Hrs Activity Description PUBLISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. PUBLIC OF STRAP BHA. 10:00 10:00 3.5 SLIP & CUI DEILL LINE 170. PUBLIC OF STRAP BHA. 10:00 10:30 0.5 SLIP & CUI DEILL LINE 170. PUBLIC OF STRAP BHA. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. PUBLIC OF STRAP BHA. 16:00 16:00 0.5 SINGLE IN HOLE W/DP. PUBLIC OF STRAP BHA. 10:30 17:00 0.5 SERVICE RIG. PUBLIC OF STRAP BHA. 10:30	06-08-20	006 Re	ported B	By Mi	ELDER							
MD	DailyCos	ts: Drilling	\$6	51,161	Co	mpletion	\$0		Dail	y Total	\$61,161	
Formatior: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: DISTANCE OF TIMES Start End Hrs Activity Description 06:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:30 0.5 SLIP & CUT DRILL LINE 170'. 10:30 14:00 3.5 PU BIT, MTR, REAMERS, DC'S, HWDP, JARS. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' – 2042, RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 76 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.<	Cum Cos	sts: Drilling	\$3	341,496	Co	mpletion	\$0		Wel	l Total	\$341,496	
Start End Hrs Activity Description 06:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:30 0.5 SLIP & CUT DRILL LINE 170'. 10:30 14:00 3.5 PU BIT, MTR, REAMERS, DC'S, HWDP, JARS. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2095' - 2390',	MD	2,675	TVD	2,675	Progress	671	Days	1	MW	8.4	Visc	27.0
Start End Hrs Activity Description 06:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:30 0.5 SLIP & CUT DRILL LINE 170'. 10:30 14:00 3.5 PU BIT, MTR, REAMERS, DC'S, HWDP, JARS. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/B.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' - 2390', RPM 60+80, 19-21K WOB, 76 FPH.	Formatio	n:		PBTD : 0.	0		Perf:			PKR De	pth: 0.0	
06:00 10:00 4.0 FINISH MAKING UP ROTATING HEAD. MU FLOWLINE. RU YELLOWDOG. STRAP BHA. 10:00 10:30 0.5 SLIP & CUT DRILL LINE 170'. 10:30 14:00 3.5 PU BIT, MTR, REAMERS, DC'S, HWDP, JARS. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' - 2390', RPM 60+80, 19-21K WOB, 76 FPH.	Activity a	at Report Ti	me: DRIL	LING								
10:00 10:30 0.5 SLIP & CUT DRILL LINE 170'. 10:30 14:00 3.5 PU BIT, MTR, REAMERS, DC'S, HWDP, JARS. 14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' - 2390', RPM 60+80, 19-21K WOB, 76 FPH.	Start	End	Hrs	Activity Descr	ription							
14:00	06:00	10:00	4.0	FINISH MAKIN	NG UP ROTAT	ING HEAD	. MU FLOW	LINE. RUY	ELLOWDO	G. STRAP B	HA.	
14:00 16:00 2.0 SINGLE IN HOLE W/DP. 16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' - 2390', RPM 60+80, 19-21K WOB, 76 FPH.	10:00	10:30	0.5	SLIP & CUT D	RILL LINE 17	0'.						
16:00 16:30 0.5 INSTALL ROT HEAD RUBBER. 16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' ~ 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' ~ 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' ~ 2390', RPM 60+80, 19-21K WOB, 76 FPH.	10:30	14:00	3.5	PU BIT, MTR, I	REAMERS, D	C'S, HWDF	, JARS.					
16:30 17:00 0.5 SERVICE RIG. 17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' – 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	14:00	16:00	2.0	SINGLE IN HO	LE W/DP.							
17:00 19:30 2.5 DRILL CEMENT, FLOAT COLLAR, CMT & SHOE. DRILL TO 2014' (10' NEW HOLE). 19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' – 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	16:00	16:30	0.5	INSTALL ROT	HEAD RUBB	ER.						
19:30 20:00 0.5 CIRCULATE FOR FIT, SPOT 50 VIS PILL ON BTM. 20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' ~ 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' ~ 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' ~ 2390', RPM 60+80, 19–21K WOB, 76 FPH.	16:30	17:00	0.5	SERVICE RIG.								
20:00 20:30 0.5 FIT TO 11.2 PPG EMW, 300 PSI W/8.33 PPG WATER. 20:30 21:00 0.5 DRILL ROTATE 2014' – 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	17:00	19:30	2.5	DRILL CEMEN	IT, FLOAT CO	LLAR, CM	T & SHOE.	DRILL TO 2	014' (10' NE	W HOLE).		
20:30 21:00 0.5 DRILL ROTATE 2014' - 2042, RPM 60+63, 18K WOB. 21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' - 2295', RPM 60+80, 17-19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' - 2390', RPM 60+80, 19-21K WOB, 76 FPH.	19:30	20:00	0.5	CIRCULATE F	OR FIT, SPOT	50 VIS PIL	L ON BTM.					
21:00 21:30 0.5 WORK ON WEIGHT INDICATOR. 21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	20:00	20:30	0.5	FIT TO 11.2 PP	G EMW, 300 F	PSI W/8.33 I	PPG WATER.					
21:30 00:45 3.25 DRILL ROTATE 2042' – 2295', RPM 60+80, 17–19K WOB, 78 FPH. BOTH PUMPS ON HOLE @ 2106'. 00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	20:30		0.0									
00:45 01:15 0.5 REINSTALL ROT HEAD RUBBER. 01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.	20.50	21:00			E 2014' 2042	, RPM 60+6	53, 18K WOB	3.				
01:15 02:30 1.25 DRILL ROTATE 2295' – 2390', RPM 60+80, 19–21K WOB, 76 FPH.			0.5	DRILL ROTATI			53, 18K WOB	I.				
	21:00	21:30	0.5 0.5	DRILL ROTATI	IGHT INDICA	NTOR.			н. вотн Рі	JMPS ON HO	LE @ 2106'.	
02:30 03:00 0.5 SURVEY, MISRUN.	21:00 21:30	21:30 00:45	0.5 0.5 3.25	DRILL ROTATI WORK ON WE DRILL ROTATI	IGHT INDICA E 2042' – 2295	ATOR. ', RPM 60+			Н. ВОТН Р	JMPS ON HO	LE @ 2106'.	
	21:00 21:30 00:45	21:30 00:45 01:15	0.5 0.5 3.25 0.5	DRILL ROTATI WORK ON WE DRILL ROTATI REINSTALL RO	IGHT INDICA E 2042' – 2295 OT HEAD RUI	NTOR. '', RPM 60+ BBER.	80, 17–19K V	WOB, 78 FPI		JMPS ON HO	LE @ 2106'.	

03:00	03:15	0.25 DRILL ROTATE 2390' - 2421', RPM 60+80, 17-22K WOB.
03:15	03:45	0.5 SURVEY @ 2381', 2 DEG.
03:45	06:00	2.25 DRILL ROTATE 2421' - 2675', RPM 60+80, 15-20K WOB, 113 FPH.

SAFETY MEETING: SLIP & CUT DRLG LINE/MAKING CONNECTIONS

TEMP 73 DEG CREWS: FULL NO ACCIDENTS

FUEL: 3326 GAL ON HAND, USED 396 GAL

BGG 1600-2500U, CG 2500-3000U, HIGH GAS 5364U @ 2168'

LITHOLOGY: 60% SH, 25% LS, 15% SS

CURRENT MW @ 8.4

06:00 18.0 SPUD 7 7/8" HOLE AT 20:30 HRS, 6/7/06

06-09-2006	Re	eported By	y	MELDER							
DailyCosts:	Drilling	\$40	0,389	Cor	npletion	\$0		Daily	Total	\$40,389	
Cum Costs:	Drilling	\$38	31,886	Con	npletion	\$0		Well 1	Fotal	\$381,886	
MD	4,954	TVD	4,954	Progress	2,279	Days	2	MW	8.8	Visc	27.0
Formation:			PBTD:	0.0		Perf:			PKR Der	oth: 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL ROTATE 2675' – 2960', RPM 60+83, 20K WOB, 95 FPH.
09:00	09:30	0.5	SURVEY @ 2886', 2 DEG.
09:30	17:30	8.0	DRILL ROTATE 2960' – 3910', RPM 55+83, 15–20K WOB, 118 FPH.
17:30	18:00	0.5	SERVICE RIG.
18:00	18:30	0.5	DRILL ROTATE 3910' - 3974', RPM 60+83, 20K WOB.
18:30	19:00	0.5	SURVEY @ 3900', 2 DEG.
19:00	06:00	11.0	DRILL ROTATE 3974' - 4954', RPM 60+80, 14-20K WOB, 89 FPH.

SAFETY MEETING: FORKLIFT/BOP DRILL

NO ACCIDENTS **TEMP 58 DEG** CREWS: FULL

FUEL: 2217 GAL ON HAND, USED 1109 GAL

CREWS DID A GOOD JOB!!!

BGG 200-500U, CG 500-1200U, HIGH GAS 4234U @ 2646' LITHOLOGY: 35% SH, 30% SS, 20% RED SH, 15% LS FORMATION TOPS: WASATCH @ 4164'.

CURRENT MW @ 9.1 PPG

06-10-2006	Reported	Ву	MELDER				
DailyCosts: Drilli	ng	\$46,402		Completion	\$0	Daily Total	\$46,402
Cum Costs: Drilli	ng	\$428,289		Completion	\$0	Well Total	\$428,289

Page 5

MD	6,580	TVD	6.580	Progress	1,626	Days	3	MW	9.7	Visc	32.0
Formation	ı:		BTD : 0.0	O		Perf :			PKR De		
Activity at	Report Ti	me: DRILLING									
Start	End	Hrs Activ	ity Descri	iption							
06:00	15:30		-	4954' – 5776'	', RPM 604	83, 15–20K V	OB, 87 FPF	ł.			
15:30	16:00	0.5 SERV	ICE RIG.								
16:00	06:00	14.0 DRILI	ROTATE	5776' - 6567'	'. RPM 60	-83, 19-22K V	VOB, 57 FPI	Н.			
		SAFE	TY MEET	ING: TONGS/	BOP DRIL	L					
		TEMP	53 DEG								
		FUEL	RECEIVE	D 4500 GALS	5, 5464 GA	LS ON HAND	, USED 125	3 GALS			
		CREW	S FULL								
		NO AC	CCIDENTS	S							
		RGG 3	200-50011	CG 800-1200	лт нісн (3AS 468411 @	6000'				
				5% SS, 25% SI							
				OP NORTH H				ICE RIVER	R @ 6057'		
				@ 10.1 PPG		·					
06-11-200	 26 Re	ported By	ME	LDER							
DailyCosts		\$31,912		Con	npletion	\$0		Dail	y Total	\$31,912	
Cum Cost	_	\$460,201	i		npletion	\$0		,	y 10tal Total	\$460,201	
MD	7,508	TVD	7,508	Progress	928	Days	4	MW	10.1	Visc	35.0
Formation			BTD: 0.0	Ü		Perf:	·	147 44	PKR De		55.0
			DID . 0.0	,		1011.			I KK Dej	Jell • 0.0	
Activity at	: Report Ti	me: DRILLING									
-	•	me: DRILLING Hrs Activi	ity Descri	intion							
Start	End	Hrs Activ	ity Descri	-	'. RPM 60+	78. 18–20K V	/OR 54 FPI	4			
-	•	Hrs Activ	ROTATE	iption 6580' – 7199'	, RPM 60+	78, 18–20 K V	VOB, 54 FPI	1 .			
Start 06:00	End 17:30	Hrs Activities 11.5 DRILL 0.5 SERVI	ROTATE	6580' – 7199'					N HOLE TO 73	350', ONE PUN	1P ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'.	ROTATE ICE RIG. ROTATE	6580' – 7199' 7199' – 7508'	, RPM 45/0	0+83/62 , 26	FPH. ВОТН		N HOLE TO 73	850', ONE PUN	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Active 11.5 DRILL 0.5 SERVE 12.0 DRILL 7350'. SAFET	ROTATE ICE RIG. ROTATE	6580' – 7199'	, RPM 45/0	0+83/62 , 26	FPH. ВОТН		N HOLE TO 73	350', ONE PUN	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activities 11.5 DRILL 7350'. SAFET TEMP	ROTATE CE RIG. ROTATE TY MEETI 61 DEG	6580' – 7199' 7199' – 7508'	, RPM 45/0 KEEPING/I	0+83/62 , 26) RIG SERVICE	FPH. ВОТН		N HOLE TO 73	350', ONE PUN	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL	ROTATE CE RIG. ROTATE TY MEETI 61 DEG	6580' – 7199' 7199' – 7508' ING: HOUSEI	, RPM 45/0 KEEPING/I	0+83/62 , 26) RIG SERVICE	FPH. ВОТН		N HOLE TO 73	850', ONE PUN	IPON @
Start 06:00 17:30	End 17:30 18:00	Hrs Active 11.5 DRILL 0.5 SERVE 12.0 DRILL 7350'. SAFET TEMP FUEL CREW	ROTATE CE RIG. ROTATE TY MEETI 61 DEG 4276 GAL	6580' – 7199' 7199' – 7508' ING: HOUSEI	, RPM 45/0 KEEPING/I	0+83/62 , 26) RIG SERVICE	FPH. ВОТН		N HOLE TO 73	350', ONE PUN	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO AC	ROTATE CE RIG. ROTATE TY MEETI 61 DEG 4276 GAL CS FULL CCIDENTS	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND,	, RPM 45/6 KEEPING/I	0+83/62 , 26 RIG SERVICE 8 GALS	- РН. ВОТН		N HOLE TO 73	350', ONE PUM	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Active 11.5 DRILL 0.5 SERVE 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACC	ROTATE ICE RIG. ROTATE TY MEETI 61 DEG 4276 GAL CCIDENTS 800-2500	6580' – 7199' 7199' – 7508' ING: HOUSEI IS ON HAND,	, RPM 45/4 KEEPING/I USED 118	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 49050	- РН. ВОТН		N HOLE TO 73	350', ONE PUN	IP ON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activities 11.5 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVE BGG IS LITHOLD	CE RIG. ROTATE TY MEETI 61 DEG 4276 GAL CCIDENTS 800–25000	6580' - 7199' 7199' - 7508' ING: HOUSEI S ON HAND, U, CG 2000-4 % SS, 35% C	, RPM 45/6 KEEPING/I USED 118 1200U. HIC ARB SH, 2:	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 4905U	-PH. ВОТН Ј @ 6795'	PUMPS ON	N HOLE TO 73	350', ONE PUN	IPON @
Start 06:00 17:30	End 17:30 18:00	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY BGG I LITHO	L ROTATE ICE RIG. L ROTATE ITY MEETI 61 DEG 4276 GAL ICE STULL CCIDENTS 800–25000 DLOGY 40 ATION TO	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, U, CG 2000–4 % SS, 35% CA	, RPM 45/6 KEEPING/I USED 118 1200U. HIC ARB SH, 2:	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 4905U	-PH. ВОТН Ј @ 6795'	PUMPS ON	N HOLE TO 73	350', ONE PUN	1PON@
Start 06:00 17:30 18:00	End 17:30 18:00 06:00	Hrs Activities 11.5 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY OF THE PORM CURR	L ROTATE ICE RIG. L ROTATE TY MEETI 61 DEG 4276 GAL CIDENTS 800-25000 DLOGY 40 ATION TO ENT MW	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, U, CG 2000–4 % SS, 35% CA DPS PRICE RI @ 10.5 PPG	, RPM 45/6 KEEPING/I USED 118 1200U. HIC ARB SH, 2:	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 4905U	-PH. ВОТН Ј @ 6795'	PUMPS ON	N HOLE TO 73	350', ONE PUN	IP ON @
Start 06:00 17:30 18:00	End 17:30 18:00 06:00	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY BGG I LITHO FORM CURR	L ROTATE ICE RIG. L ROTATE TY MEETI 61 DEG 4276 GAL CIDENTS 800-25000 DLOGY 40 ATION TO ENT MW	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, 6 U, CG 2000–4 % SS, 35% C DPS PRICE RI @ 10.5 PPG LDER	, RPM 45/6 KEEPING/I USED 118 5200U, HIC ARB SH, 2 IVER @ 60	0+83/62 , 26 RIG SERVICE 8 GALS H GAS 49050 5% SLTSTN 57°, PRICE R	-PH. ВОТН Ј @ 6795'	PUMPS ON		350', ONE PUN	IPON @
Start 06:00 17:30 18:00 06-12-200 Daily Costs	End 17:30 18:00 06:00 66 Re	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY BGG I LITHO FORM CURR PORTED By \$30,602	L ROTATE ICE RIG. L ROTATE TY MEETI 61 DEG 4276 GAL CIDENTS 800–25000 DLOGY 40 ATION TO ENT MW MEI	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, 6 U, CG 2000–4 % SS, 35% CA DPS PRICE RI @ 10.5 PPG LDER Con	, RPM 45/6 KEEPING/I USED 118 3200U, HIC ARB SH, 2: IVER @ 60	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 4905U	-PH. ВОТН Ј @ 6795'	PUMPS ON	y Total	350', ONE PUN	IP ON @
Start 06:00 17:30 18:00	End 17:30 18:00 06:00 66 Re	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY BGG I LITHO FORM CURR	L ROTATE ICE RIG. L ROTATE TY MEETI 61 DEG 4276 GAL CIDENTS 800–25000 DLOGY 40 ATION TO ENT MW MEI	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, 6 U, CG 2000–4 % SS, 35% CA DPS PRICE RI @ 10.5 PPG LDER Con	, RPM 45/6 KEEPING/I USED 118 5200U, HIC ARB SH, 2 IVER @ 60	0+83/62 , 26 RIG SERVICE 8 GALS H GAS 49050 5% SLTSTN 57°, PRICE R	-PH. ВОТН Ј @ 6795'	PUMPS ON			IPON @
Start 06:00 17:30 18:00 06-12-200 Daily Costs	End 17:30 18:00 06:00 66 Re	Hrs Activi 11.5 DRILL 0.5 SERVI 12.0 DRILL 7350'. SAFET TEMP FUEL CREW NO ACTIVITY BGG I LITHO FORM CURR PORTED By \$30,602	L ROTATE ICE RIG. L ROTATE TY MEETI 61 DEG 4276 GAL CCIDENTS 800–25000 DLOGY 40 ATION TO ENT MW MEI	6580' – 7199' 7199' – 7508' ING: HOUSEI S ON HAND, 6 U, CG 2000–4 % SS, 35% CA DPS PRICE RI @ 10.5 PPG LDER Con	, RPM 45/6 KEEPING/I USED 118 3200U, HIC ARB SH, 2: IVER @ 60	0+83/62 , 26) RIG SERVICE 8 GALS H GAS 49050 5% SLTSTN 57', PRICE R	-PH. ВОТН Ј @ 6795'	PUMPS ON	y Total	\$33,967	1P ON @ 36.0

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Formation:

PBTD: 0.0

Perf:

PKR Depth: 0.0

Activity at Report Time: TIH

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILL ROTATE 7508' – 7800, RPM 65+63, 20–23K WOB, 26.5 FPH, RAISE MW TO 11.0 PPG, 3–4' FLARE W/9.6 PPG MUD.
17:00	17:30	0.5	SERVICE RIG.
17:30	18:45	1.25	DRILL ROTATE 7800' - 7822', RPM 65+63, 23K WOB, 17.6 FPH.
18:45	20:15	1.5	PUMP HI VIS SWEEP. CIRCULATE FOR TOH.
20:15	20:45	0.5	LD 3 JTS DP W/KELLY.
20:45	21:00	0.25	PUMP PILL, DROP SURVEY. SURVEY @ 7659', 2.75 DEG.
21:00	04:00	7.0	STAND KELLY BACK. PU BALES & ELEVATORS. TOH F/BIT #2 W/SLM, NO CORRECTION, NO TIGHT HOLE ON TOH. LD BIT, MOTOR & REAMERS.
04:00	05:00	1.0	PU NEW BIT & MTR, HC 506Z W/.17 BICO MTR.
05:00	06:00	1.0	TRIP IN HOLE W/BIT #2.

SAFETY MEETING: MIXING MUD/TRIPPING

TEMP 69 DEG

FUEL 3326 GALS ON HAND, USED 900 GALS

CREWS FULL NO ACCIDENTS

RECEIVED 189 JTS + 2 MARKER JTS 4-1/2 P110 CSG

BGG 2000–3000U, CG 3500–4200U, HIGH GAS 4576U @ 7655'

LITHOLOGY 40% SS, 35% CARB SH, 25% SLTSTN

FORMATION TOPS PRICE RIVER L @ 7688'

CURRENT MW @ 11.0 PPG

06-13-2006	R	eported By	, N	TELDER							
DailyCosts:	Drilling	\$40	,794	Cor	mpletion	\$2,181		Daily	Total	\$42,975	
Cum Costs:	Drilling	\$53	1,598	Cor	np l etion	\$5,546		Well 7	Total	\$537,145	
MD	8,035	TVD	8,035	Progress	213	Days	6	MW	11.0	Visc	36.0
Formation:			PBTD:	0.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:45	2.75	TRIP IN HOLE. HIT BRIDGE @ 4080',
08:45	09:45	1.0	WASH/REAM 4080' – 4152'.
09:45	10:45	1.0	TRIP IN HOLE. HIT BRIDGE @ 4815'.
10:45	11:15	0.5	WASH/REAM BRIDGE @ 4815. LOST RETURNS. LOST 43 BBLS.
11:15	02:30	15.25	REGAIN CIRC. MIX LCM (POLYSWELL, FIBERSEAL & SAWDUST). PULL OUTSIDE SHAKER SCREENS OFF. BUILD VOLUME. WASH & REAM TO 4852'.
02:30	16:30	14.0	TRIP IN HOLE.
16:30	17:45	1.25	WASH/REAM 7685' - 7820'. LOST 100 BBLS MUD IN I HR.
17:45	18:30	0.75	CIRCULATE, LOST 136 BBLS. MIX LCM SWEEP. WO MUD FOR TRUE 15.
18:30	19:15	0.75	MIX LCM SWEEP. WORK PIPE W/O PUMP. W/O MUD. CIRC @ 60 SPM LOST 25 BBLS MUD.
19:15	20:00	0.75	TRIP OUT 5 STDS.
20:00	20:30	0.5	RECIPROCATE PIPE, PUMP PERIODICALLY DOWN DP. WO MUD.

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JUL 3 1 2006

20:30	22:30	2.0 UNLOAD MUD. CIRC/COND MUD IN MUD TANKS.
22:30	00:15	1.75 PUMP LCM SWEEP. NO LOSSES WHILE PUMPING SWEEP @ 60 SPM. INCREASE PUMP RATE IN STAGES W/NO SIGNIFICANT LOSSES,
00:15	01:00	0.75 TRIP IN 4 STDS + SINGLE.
01:00	01:45	0.75 WASH/REAM 70' TO BTM.
01:45	06:00	4.25 BREAK IN BIT. DRILL ROTATE 7822' - 8035', RPM 55+65, 15-20K WOB, 50 FPH.

SAFETY MEETING: TRIPPING

TEMP 63 DEG

FUEL: 2772 GAL ON HAND, USED 554 GAL

CREWS FULL NO ACCIDENTS

BGG 2000-3000U, CG 2500-3500U, TG 4229U, HIGH GAS 4229U @ 7820

LITHOLOGY: 45% SS, 25% SH, 15% CARB SH, 15% SLTSTN

CURRENT MW @ 10.9 PPG

06-14-2006	Re	eported By		MELDER, STRO	NG						
DailyCosts: Drilling \$31,200		200	Completion \$0			Daily Total			\$31,200		
Cum Costs: Drilling \$562,799		,799	Completion \$5,546				Well Total \$568,3				
MD	8,270	TVD	8,270	Progress	235	Days	7	MW	10.8	Visc	35.0
Formation: PBTD			PBTD:	0.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: LD BHA

Start	End	Hrs	Activity Description
06:00	09:45	3.75	DRILL ROTATE 8035' - 8263', RPM 50+65, 18K WOB, 61 FPH.
09:45	10:15	0.5	SERVICE RIG.
10:15	10:30	0.25	DRILL ROTATE 8263' - 8270' TD, RPM 50+65, 18K WOB. REACHED TD AT 10:30 HRS, 6/13/06.
10:30	12:00	1.5	PUMP HIGH VIS SWEEP, CIRCULATE FOR F/WIPER TRIP. MIX & PUMP PILL.
12:00	17:00	5.0	WIPER TRIP/SHORT TRIP 67 STDS TO 4017', NO PROBLEMS ON SHORT TRIP.
17:00	17:30	0.5	WASH/REAM 100' TO BTM.
17:30	20:30	3.0	PUMP HIGH VIS SWEEP. CIRCULATE FOR LDDP. WAIT 1 HR ON LD CREW. SAFETY MEETING W/FRANKS LD CREW & RIG CREW. RU LD MACHINE. PUMP PILL, DROP SURVEY.
20:30	03:00	6.5	LD DP.
03:00	04:00	1.0	BREAK KELLY.
04:00	06:00	2.0	LD BHA.

SAFETY MEETING: TRIPPING/LD DP

TEMP 73 DEG

FUEL: 2138 GAL ON HAND, USED 634 GAL

CREWS FULL NO ACCIDENTS

BGG 2500-3000U, CG 3000-3500U, HIGH GAS 3097U @ 8270'

FORMATION TOPS: SEGO @ 8173' CURRENT MW @ 10.9 PPG

06-15-2006 Reported By

MELDER, STRONG

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DailyCost	ts: Drilling	\$23.034	Comple	tion	\$161,569		Daily	Total	\$184,603	
Cum Cos	ts: Drilling	\$585,833	Comple	tion	\$167,115		Well	Total	\$752,949	
MD	8,270	TVD 8,270	Progress	0	Days	8	MW	11.0	Visc	37.0
Formatio	n:	PBTD:	0.0		Perf:			PKR De _l	pth : 0.0	
Activity a	t Report Ti	me: WO COMPLETIO	N							
Start	End	Hrs Activity Des	scription							
06:00	06:30	0.5 FINISH LD B	HA. PULL WEAR B	USHIN	G. RETRIEVE	SURVEY	3 DEG @ 82	30'.		
06:30	07:00	0.5 SERVICE RIG	G. LUBRICATE BLO	CKS, E	TC.					
07:00	08:30	1.5 PJSM W/FRA	NKS WESTATES LE	CREV	V & CALIBER (CSG CRE	W. RU CAS	ING RUNNIN	IG TOOLS.	
08:30	15:30	KB. RAN AS 51 JTS CSG, JT, THEN EV	(183 FULL JTS + 2 f FOLLOWS: FLOAT MARKER JT AT 375: ERY OTHER JT TO 4 JT. MAKE UP HAN	SHOE, 3', 83 J 400' AE	, I JT CSG, FLO TS CSG, 20' PU BOVE ISLAND	AT COL P JT, 5.1° FOP (30°	LAR AT 8198 PUP JT, 1 C FOTAL). TH	3', 48 JTS CS0 'ZR 5' UP ON READ LOCK	G, MARKER JT SHOE JT, TOP SHOE, FLOAT	Γ AT 6047', P OF 2ND Γ COLLAR,
15:30	17:30	GAS. HIGH (FOR CEMENTING. GAS @ BOTTOMS U RGER UP TO CEME	P 4805	U W/NO FLAR	E. GAS D	ROPPED TO	250U BEFO	RE HOOKING	
17:30	18:00	0.5 MU CMTG H	IEAD. PJSM W/SCH	LUMB	ERGER.					
18:00	19:45	PUMP 260 S3 D065 @ 11.5 D065, .2% D3 PSI, BUMP P	G. TEST LINES TO 50 K (138 BBLS) HILIFI PPG, 2.98 FT3/SK. F 167 @ 14.1 PPG, 1.29 LUG W/2900 PSI. CI LOATS HELD OK. L	r G LE/ PUMP 1 FT3/SI IP @ 20	AD CMT W/109 1355 SX (312 BI K. WASH UP L 0:25 HRS ON 6-	6 D020, BLS) 50/: INES, DF -14-06. I	2% D167, .2% 50 POZ G TA ROP PLUG. I FULL MUD F	6 D046, .5% I IL CMT W/2 DISPLACE W	0013, .125 PPS % D020, .1% D 1/127 BBLS FW	D130, .5% 046, .2% 7. FPP 2100
19:45	20:30	OK. RD CM	CK & LAND CSG ON T HEAD FROM CSG T I HOUR AFTER BU	. DUMI	P & START CLI					
20:30	00:00	3.5 ND BOPS. C	LEAN MUD TANKS.							
00:00	06:00	6.0 RD FOR MO	VE TO SOUTH CHA	PITA I	2-35.					
		SAFETY ME TEMP 62 DE TRUCKS SC MATERIALS 6 JTS CASIN	NTS EE W/VERNAL BLM ETING: LDDP/RUN	NING (DAY M RED TO	CSG/CEMENTI ORNING 6/16/0 O SCW 12-35:	NG/ND E	BOPS	·	12–35	
06:00			SED @ 00:00 HRS, 6/	14/06.				<u> </u>		. <i></i> .

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MELDER, STRONG

Reported By

06-15-2006

DailyCos	ts: Drilling	\$	23,034	Com	pletion	\$161,569		Dail	y Total	\$184,603	
•	ts: Drilling	\$	585,833	Com	pletion	\$167,115		Well	Total	\$752,949	
MD	8,270	TVD	8,270	Progress	0	Days	8	MW	0.0	Visc	0.0
Formatic	n:		PBTD : 0	J		Perf :			PKR De	pth: 0.0	
Activity	at Report Ti	me: WO	COMPLETION						•		
Start	End	Hrs	Activity Desc	ription							
06:00	06:30		•	_	R BUSHIN	G. RETRIEVE S	URVEY	3 DEG @ 82	230'.		
06:30	07:00	0.5	SERVICE RIG.	LUBRICATE B	BLOCKS, E	ETC.					
07:00	08:30	1.5	PJSM W/FRAN	NKS WESTATES	LD CRE	W & CALIBER O	SG CRE	W. RU CAS	ING RUNNIN	NG TOOLS.	
08:30	15:30	7.0	KB. RAN AS F 51 JTS CSG, M JT, THEN EVE	OLLOWS: FLOMARKER JT AT SERY OTHER JT	OAT SHOE 3753', 83 J TO 400' A	ER JTS) OF 4.5" , 1 JT CSG, FLO ITS CSG, 20' PU BOVE ISLAND 1 & LANDING JT.	AT COL P JT, 5.1° TOP (30°	LAR AT 819 PUP JT, 1 (TOTAL). TH	8', 48 JTS CS6 CZR 5' UP ON IREAD LOCK	G, MARKER J I SHOE JT, TO K SHOE, FLOA	T AT 6047', P OF 2ND IT COLLAR,
15:30	17:30	2.0	GAS. HIGH G	AS @ BOTTOM	IS UP 4805	IRC SWAGE. CI IU W/NO FLARE D MOL W/FRAN	E. GAS E	ROPPED TO	250U BEFO	RE HOOKING	j
17:30	18:00	0.5	MU CMTG HE	EAD. PJSM W/S	CHLUME	BERGER.					
18:00	19:45	1.75	PUMP 260 SX D065 @ 11.5 P D065, .2% D16 PSI, BUMP PL	(138 BBLS) HIL PG, 2.98 FT3/SI o7 @ 14.1 PPG, 1 UG W/2900 PSI	LIFT G LE K. PUMP 1.29 FT3/S I. CIP @ 2	I. PUMP 20 BBI AD CMT W/10% 1355 SX (312 BE K. WASH UP LI 0:25 HRS ON 6– CSG ON HANGE	D020, . LS) 50/ NES, DI 14–06.	2% D167, .24 50 POZ G TA ROP PLUG. FULL MUD	% D046, .5% I AIL CMT W/2 DISPLACE W	D013, .125 PPS % D020, .1% I //127 BBLS FV	S D130, .5% D046, .2% W. FPP 2100
19:45	20:30	0.75	OK. RD CMT		CSG. DUM	GER W/60K.SHI IP & START CLE IG PLUG.					
20:30	00:00	3.5	ND BOPS. CL	EAN MUD TAN	IKS.						
00:00	06:00	6.0	RD FOR MOV	E TO SOUTH C	HAPITA I	2-35.					
			SAFETY MEE TEMP 62 DEG TRUCKS SCH MATERIALS 6 JTS CASING	TS E W/VERNAL E TING: LDDP/R	RUNNING FRIDAY M FERRED TO 11.6#, P-1		NG/ND I	BOPS		12–35	
06:00		18.0) RIG RELEASE	ED @ 00:00 HRS	S, 6/14/06.						

06-21-2006

Reported By SEARLE

CASING POINT COST \$585,834

RV SEARLE

DailyCos	ts: Drilling	\$0		Con	npletion	\$39,033		Daily	Total	\$39,033	
Cum Cos	ts: Drilling	\$585	,833	Con	npletion	\$206,148		Weil '	Fotal	\$791,982	
MD	8,270	TVD	8,270	Progress	0	Days	9	MW	0.0	Visc	0.0
Formatio	n:		PBTD : 8	197.27		Perf:			PKR De	pth: 0.0	
Activity a	at Report Ti	me: WO FR.	AC								
Start	End	Hrs A	ctivity Desc	ription							
06:00	06:00			SCHLUMBERO RD SCHLUME		WITH RST/CBL	/CCL/VI	OL/GR FROM	PBTD TO 1	000'. CEMENT	ТОР
06-30-20	006 Re	eported By	М	CCURDY							
DailyCos	ts: Drilling	\$0		Con	npletion	\$1,170		Daily	Total	\$1,170	
Cum Cos	sts: Drilling	\$585	,833	Con	npletion	\$207,318		Well '	Total	\$793,152	
MD	8,270	TVD	8,270	Progress	0	Days	10	MW	0.0	Visc	0.0
Formatio	n: MESAVE	RDE	PBTD: 8	1197.27		Perf:			PKR De	pth: 0.0	
Activity	at Report Ti	me: PREP F	OR FRAC 7/	7/06							
Start 14:00	End 15:00		utivity Desc	•	URE TEST	ED FRAC TREE	E & CAS	ING TO 8500	PSIG. PREP	FOR FRAC .	
07-07-2	006 Re	eported By	М	CCURDY							
DailyCos	sts: Drilling	\$0		Con	npletion	\$1,045		Daily	Total	\$1,045	
Cum Cos	sts: Drilling	\$585	,833	Con	npletion	\$208,363		Well '	Total	\$794,197	
MD	8,270	TVD	8,270	Progress	0	Days	11	MW	0.0	Visc	0.0
Formatio	n: MESAVE	RDE	PBTD: 8	3197.27		Perf: 7517-8	3117		PKR De	pth: 0.0	

Activity at Report Time: FRAC MPR/UPR

Start End Hrs Activity Description

13:00 20:30

7.5 RU CUTTERS WIRELINE. PERFORATED LPR FROM 7718'-19', 7740'-41', 7752'-54', 7765'-66', 7810'-11', 7817'-18', 7831'-32', 7865'-67', 7923'-25', 7962'-63', 7981'-82', 8048'-49' & 8116'-17' @ 2 SPF & 180° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4964 GAL YF125ST+ PAD, 51274 GAL YF125ST+ & YF118ST+ WITH 167200# 20/40 SAND @ 1-6 PPG. MTP 6889 PSIG. MTR 51.8 BPM. ATP 4934 PSIG. ATR 47.3 BPM. ISIP 2360 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7700'. PERFORATED MPR FROM 7517'-18', 7523'-24', 7570'-71', 7577'-78', 7596'-98', 7622'-23', 7635'-7637', 7652'-54' & 7680'-81' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4948 GAL YF125ST+ PAD, 52466 GAL YF125ST+ & YF118ST+ WITH 168900# 20/40 SAND @ 1-5 PPG. MTP 7948 PSIG. MTR 49.9 BPM. ATP 6072 PSIG. ATR 48.8 BPM. ISIP 3730 PSIG. RD SCHLUMBERGER.

RUWL. RIH. TAGGED @ 7448'. POH. O PSIG ON CASING. COULD NOT FLOWBACK SAND. SWIFN.

07-08-200)6 Re	ported	By	MCCURDY							
DailyCosts	s: Drilling		\$0	Con	npletion	\$408,398		Daily	Total	\$408,398	
Cum Cost	s: Drilling		\$585,833	Con	npletion	\$616,761		Well 7	Fotal	\$1,202,595	
MD	8,270	TVD	8,270	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation	: MESAVE	RDE	PBTD:	8197.27		Perf: 5991-	8117		PKR Dep	oth: 0.0	
Activity at	Report Ti	me: PRI	EP TO MIRUSU	Ī							
Start	End	Hrs	Activity Des	scription							

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JUL 3 1 2006
DIV. OF OIL, GAS & MINING

08:00 21:30

13.5 SICP 1900 PSIG. SET 10K CFP AT 7485'. PERFORATED MPR FROM 7234'-35', 7241'-42', 7248'-49', 7288'-90', 7327'-29', 7341'-43', 7366'-67', 7387'-88', 7431'-43', 7366'-67', 7387'-88', 7431'-32', 7455'-56' & 7468'-69' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4988 GAL YF125ST+ PAD, 55,786 GAL YF125ST+ & YF118ST+ WITH 193,200# 20/40 SAND @ 1-6 PPG. MTP 6723 PSIG. MTR 50.9 BPM. ATP 5378 PSIG. ATR 45.2 BPM. ISIP 3510 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7210'. PERFORATED MPR FROM 7116'-18', 7128'-30', 7135'-36', 7139'-40', 7152'-54', 7162'-63', 7167'-68', 7178'-79' & 7189'-91' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4986 GAL YF123ST+ PAD, 55,200 GAL YF123ST+ & YF118ST+ WITH 190,500# 20/40 SAND @ 1-6 PPG. MTP 4958 PSIG. MTR 49.4 BPM. ATP 4051 PSIG. ATR 45.1 BPM. ISIP 1910 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7075'. PERFORATED UPR FROM 6877'-78', 6894'-95', 6919'-20', 6941'-42', 6947'-48', 6963'-64', 6968'-69', 6992'-93', 6998'-99', 7018'-19', 7042'-44' & 7051'-53' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4986 GAL YF123ST+ PAD, 65,028 GAL YF123ST+ & YF118ST+ WITH 230,600# 20/40 SAND @ 1-6 PPG. MTP 8027 PSIG. MTR 50.8 BPM. ATP 4814 PSIG. ATR 46.4 BPM. ISIP 2320 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6,855'. PERFORATED UPR FROM 6662'-63', 6692'-94', 6710'-12', 6740'-42', 6747'-48', 6758'-59', 6766'-67', 6776'-78', 6827'-28' & 6836'-37' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4967 GAL YF123ST+ PAD, 55,681 GAL YF123ST+ & YF118ST+ WITH 191,600# 20/40 SAND @ 1-6 PPG. MTP 5588 PSIG. MTR 50.8 BPM. ATP 4318 PSIG. ATR 49 BPM. ISIP 1780 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6620'. PERFORATED UPR FROM 6431'-32', 6440'-41', 6452'-53', 6459'-60', 6483'-84', 6492'-93', 6497'-98', 6508'-09', 6534'-35', 6544'-46', 6567'-68', 6585'-86' & 6592'-93' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4969 GAL YF123ST+ PAD, 50,555 GAL YF123ST+ & YF118ST+ WITH 168,000# 20/40 SAND @ 1-6 PPG. MTP 8479 PSIG. MTR 51 BPM. ATP 4530 PSIG. ATR 47.5 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6400'. PERFORATED UPR FROM 5991'-92', 6005'-06', 6047'-49', 6136'-37', 6146'-47', 6259'-61', 6300'-02', 6334'-35' & 6364'-65' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4946 GAL YF123ST+ PAD, 49,864 GAL YF123ST+ & YF118ST+ WITH 174,320 # 20/40 SAND @ 1-6 PPG. MTP 7680 PSIG. MTR 50.8 BPM. ATP 4980 PSIG. ATR 47.6 BPM. ISIP 1980 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5950'. BLED OFF PRESSURE. RDWL. SDFN.

07-11-20	06 Re	eported	i By Si	EARLE							
DailyCost	s: Drilling		\$0		Completion	\$51,070		Daily To	tal	\$51,070	
Cum Cost	s: Drilling		\$585,833		Completion	\$667,831		Well Tot	ai	\$1,253,665	
MD	8,270	TVD	8,270	Progres	ss 0	Days	13	MW	0.0	Visc	0.0
Formation	n: MESAVE	RDE	PBTD : 8	197.27		Perf: 5991-8	8117	I	KR Dep	oth: 0.0	
Activity a	t Report Ti	me: CL	EAN OUT AFTE	R FRAC							
Start	End	Hrs	Activity Desc	ription							
07:00	14:00	7.			CP 0 PSIG. ND I ER SWIVEL. SI		NU BOPE	E. RIH WITH 3-	7/8" BIT &	& PUMP OFF BIT	r sub to
07-12-20	06 R	ported	l By Si	EARLE							
DailyCost	s: Drilling		\$0		Completion	\$8,350		Daily To	tal	\$8.350	
Cum Cost	s: Drilling		\$585,833		Completion	\$676,181		Well Tot	al	\$1,262,015	
MD	8,270	TVD	8,270	Progres	ss 0	Days	14	MW	0.0	Visc	0.0
Formation	: MESAVE	RDE	PBTD : 8	197.27		Perf: 5991-8	3117	F	KR Dep	oth: 0.0	

Page 12

Activity at Report Time: FLOW TEST

Start End Hrs **Activity Description**

23.0 SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5950', 6400', 6620', 6855', 7075', 7210', 07:00 06:00

7585' & 7770'. CLEANED OUT TO PBTD @ 8198'. LANDED TUBING @ 5933'. ND BOPE & NU TREE. PUMPED

OFF BIT. RDMOSU.

FLOWED 14 HRS, 16/64" CHOKE, FTP 1350 PSIG, CP 1900 PSIG, 34 BFPH, RECOVERED 578 BLW, 10922.

TUBING DETAIL LENGTH

PUMP OFF SUB

1 JT 2 3/8" 4.7# N80 TUBING 32.62'

XN NIPPLE 1.10'

181 JTS 2-3/8" 4.7# N80 TUBING 5900.49"

BELOW KB 18.00'

LANDED @ 5953.11' KB

SEARLE 07-13-2006 Reported By \$3,150 \$0 \$3,150 DailyCosts: Drilling Completion Daily Total \$679,331

Cum Costs: Drilling \$585,833 Completion Well Total \$1,265,165 8,270 8,270 0.0MD TVD **Progress** MWVisc

Formation: MESAVERDE **PBTD:** 8197.27 Perf: 5991-8117 PKR Depth: 0.0

Activity at Report Time: FLOW TEST

Start End Hrs **Activity Description**

24.0 FLOWED 24 HRS, ON 16/64" CHOKE. FTP 1400 PSIG, CP 2600 PSIG. 34 BFPH, RECOVERED 578 BLW, 10922 06:00 06:00

Davs

BLWTR.

SEARLE 07-14-2006 Reported By \$0 DailyCosts: Drilling \$3,150 **Daily Total** \$3,150 Completion **Cum Costs: Drilling** \$585,833 Completion \$682,481 Well Total \$1,268,315 MD 8,270 TVD 8,270 16 MW 0.0 Visc 0.0 **Progress** Days

PBTD: 8197.27 PKR Depth: 0.0 Formation: MESAVERDE Perf: 5991-8117

Activity at Report Time: FLOW TEST

Start End **Activity Description**

06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1350 PSIG, CP 2650 PSIG. 28 BFPH. RECOVERED 714 BLW. 9429 BLWTR. 06:00

Days

17

MW

0.0

Visc

07-15-2006 Reported By **SEARLE**

TVD

\$0 \$3,150 \$3,150 DailyCosts: Drilling Completion **Daily Total Cum Costs: Drilling** \$585,833 Completion \$685,631 Well Total \$1,271,465

Formation: MESAVERDE **PBTD:** 8197.27 Perf: 5991-8117 PKR Depth: 0.0

Activity at Report Time: WO FACILITIES

8,270

MD

Start End **Activity Description** Hrs

24.0 FLOWED 24 HRS ON 16/64" CHOKE. FTP 1650 PSIG, CP 3000 PSIG. 25 BFPH, RECOVERED 584 BLW, 8845 06:00 06:00

BLWTR. SI. WO FACILITIES.

Progress

8,270

Page 13

RECEIVED JUL 3 1 2006

0.0

0.0

FINAL COMPLETION DATE: 7/14/06

COOK 07-26-2006 Reported By **DailyCosts: Drilling** \$0 Completion \$0 **Daily Total** \$585,833 \$685,631 **Well Total** \$1,271,465 **Cum Costs: Drilling** Completion

MD 8,270 TVD 8,270 18 0.0 0.0Days MW Visc

Formation: MESAVERDE PBTD: 8197.27 **Perf:** 5991-8117 PKR Depth: 0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs **Activity Description**

24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 2275 & CP 2650 PSI. TURNED WELL OVER TO QUESTAR 06:00 06:00 SALES AT 11:00 AM, 7/25/06. FLOWED 587 MCFD RATE ON 10/64" CHOKE.

COOK 07-27-2006 Reported By

8,270

DailyCosts: Drilling Completion \$0 **Daily Total** \$0

\$685,631 Well Total **Cum Costs: Drilling** \$585,833 Completion \$1,271,465

MD 8,270 **TVD** 19 0.0

Days

Formation: MESAVERDE **PBTD**: 8197.27 Perf: 5991-8117 PKR Depth: 0.0

Activity at Report Time: ON SALES

Start End **Activity Description** 24.0 FLOWED 502 MCFD, 13 BC & 127 BW IN 22 HRS ON 10/64" CK. FTP 1900 & CP 2600 PSIG. 06:00 06:00

Progress

0.0

Visc

Form 3160-4

UNITED STATES

Form 3160-4 (April 2004)			В	DEPA UREA	RTME	TED STATES NT OF THE LAND MA			Č	ORM API MBNO. I pires: Man						
	WELL	. COM	PLET	ION	OR R	ECOMPLET	ION	REPOR	TAN	D LOG			5. Lease S			
la. Type of	Well [_oil w	ell 🔽	Gas V	/ell	Dry Oth	er					1			or Tribe Name	
b. Type of	Completion	n:	✓ Ne Other	w Well		Work Over	Deepe	n Plu	g Back	Dif	f. Resv		7. Unit or CA Agreement Name and No.			
2. Name of	Operator	EOG R	Resourc	es, Inc										Name and V Chapita		
3. Address	600 17tl	h Street,	Suite	1000N,	Denver	r, CO 80202	3a. Phone No. (include area code) 303-824-5526					de)	9. AFI W 43-04	ell No. 7-36906		
4. Location	n of Well (Report lo	cation c	learly a	nd in acc	cordance with F	ederal	requiremen	(s)*			1			Exploratory Mesaverde	
At surfa	ice 19	15' FNL	& 569	' FEL	(SE/NE) 39.979978 L	AT 10	09.305003 1	LON			1	1 Sec T	R M or	Block and ec. 3-T10S-R23E	
At top p	orod. interva	ai reporte	d below	Sam	e							-	2. County	or Parish	13. State	
At total	acpin-	ame	116	Data T	D. Dooch	ad .		16. Date Co	mplete	d ogen	£/200	-		County ions (DF, R	UT KB, RT, GL)*	
	15. Date T.D. Reached 16. Date Completed 07/25/2006 04/11/2006 06/13/2006 □ D & A Ready to Prod.												NAT GL			
18. Total D	epth: MI TV	8270' 'D	•		19. Pl	lug Back T.D.:	MD : TVD	8197'		20. De	epth Br	idge Plug S	et: MD TVI			
21. Type E	lectric & C	Other Me	chanica	al Logs	Run (Su	bmit copy of ea	ch)	u.			as well as DST		/ No L		mit analysis) mit report)	
	BL/CCL									Di	irection	al Survey?	✓ No	Yes (S	Submit copy)	
	I		(Repo (#/ft.)			et in well) Bottom (MD)		e Cementer		of Sks. &		lurry Vol.	Cement	Top*	Amount Pulled	
Hole Size	Size/Grad	36.	<u> </u>	J-5	Depth Type of Centent (DEE)							(DDL)	 	•		
7-7/8"	4-1/2"	11.		P-1		0-8246	<u> </u>	1615 sx								
											\perp					
				ļ					ļ		+		 -			
	ļ			<u> </u>			-		<u> </u>		+-				-	
24 Tubing	Record			L		<u> </u>	<u> </u>		·			· · · · ·				
Size		Set (MD)	Packe	er Depth	(MD)	Size	Dep	th Set (MD)	Packer	Depth (N	(D)	Size	Depth	Set (MD)	Packer Depth (MD)	
2-3/8"	5953'		I				26.	Perforation	Pecor	d	L					
25. Produc	Formation		I	To	00	Bottom	1 20.	Perforated			Siz	No.	Holes] " [Perf. Status	
A) Mesa	verde			5991	 +	8117	771	8-8117				2/spi	ř			
B)							+	7-7681				2/spi				
C)				ļ <u>.</u> -			+-	4-7469				2/spi		<u> </u>		
D) 27. Acid, F	Э Т-		Comont	Sayaaa			711	6-7191				2/spi		L		
	epth Interv		Cement	Squeeze	., e.c.			A	mount	and Type	of Mai	erial				
7718-81						S GELLED W										
7517-76	B1					S GELLED W										
7234-74						S GELLED W S GELLED W							 			
7116-719 28. Produ		rval A		00,33	oi GAL	3 GELLED W	A I L	170,500		O DI E 12						
Date First	Test	Hours	Test		Oil BBL		Water BBL	Oil Gra Corr. A	vity	Gas	vity	Productio	n Method			
Produced 07/25/2006	Date 08/01/2006	Tested 24	rrodi	uction	10 BBL	1 1	1 80	Con. 7		3"	,	FLOW:	S FROM WE	LL		
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hi Rate		Oil BBL		Water BBL	Gas/Oil Ratio		Well	Status	PRODU	UCING GAS	WELL		
28a. Prod	SI 1900	2500				1										
Date First Produced	Test Date	Hours Tested	Test Produ	ction	Oil BBL		Vater BBL	Oil Gra Corr. A	vity PI	Gas Grav	ity	Production	n Method			
Choke	Tbg. Press.	Csg.	24 Hi		Oil BBL	Gas \	Water BBL	Gas/Oi Ratio		Well	Status		-			

Tbg. Press. Flwg. SI

Choke Size

Oil BBL

Gas MCF

^{*(}See instructions and spaces for additional data on page 2)

28h Produ	ction - Inter	rval C						<u> </u>		
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
rioduceu			→			<u> </u>	Gas/Oil	Well Status		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Ratio	wen status		
28c. Prod	uction - Inte									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
29. Disp	i	Gas (Sold, i	used for fuel	, vented, e	rc.)					
SOI	· · · · · · · · · · · · · · · · · · ·									
			(Include Ac						ion (Log) Markers	
tests	w all impor i, including recoveries.	tant zones depth inter	of porosity val tested, co	and conte ishion use	nts thereof: i, time tool (Cored intervopen, flowing	vals and all drill-ste and shut-in pressur	em res		
For	mation	Тор	Botton	1	Des	criptions, Con	itents, etc.		Name	Top Meas. Depth
			8117 de plugging	procedure	:			Middle	Wells anyon	4153 4705 5353 5824 5925 6013 6998 7692 8190
	Electrical/M Sundry Noti	lechanical ice for plug	Logs (1 full gging and cer	set req'd.) nent verifi	cation	in the approp Geologic Re Core Analys s complete an	port DST Rep		onal Survey	nstructions)*
	ne (please p		ry A. Maes			•		gulatory Assist		
	nature		ry 0	. N	aifa	1	Date	26/2006		
Title 18	8 U.S.C Se	ction 1001	and Title 43	3 U.S.C S	ection 1212 s or represe	, make it a cri	me for any person any matter within	knowingly and w	illfully to make to any depa	artment or agency of the Unite

South Chapita 19-3 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

6877-7053	2/spf
6662-6837	2/spf
6431-6593	2/spf
5991-6365	2/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

6877-7053	70,179 GALS GELLED WATER & 230,600# 20/40 SAND
6662-6837	60,813 GALS GELLED WATER & 191,600# 20/40 SAND
6431-6593	55,689 GALS GELLED WATER & 168,000# 20/40 SAND
5991-6365	54,975 GALS GELLED WATER & 174,320# 20/40 SAND

Perforated the Lower Price River from 7718-7719', 7740-7741', 7752-7754', 7765-7766', 7810-7811', 7817-7818', 7831-7832', 7865-7867', 7923-7925', 7962-7963', 7981-7982', 8048-8049' & 8116-8117' w/ 2 spf.

Perforated the Middle Price River from 7517-7518', 7523-7524', 7570-7571', 7577-7578', 7596-7598', 7622-7623', 7635-7637', 7652-7654' & 7680-7681' w/ 2 spf.

Perforated the Middle Price River from 7234-7235', 7241-7242', 7248-7249', 7288-7290', 7327-7329', 7341-7343', 7366-7367', 7387-7388', 7431-7432', 7455-7456' & 7468-7469' w/ 2 spf.

Perforated the Middle Price River from 7116-7118', 7128-7130', 7135-7136', 7139-7140', 7152-7154', 7162-7163', 7167-7168', 7178-7179' & 7189-7191' w/ 2 spf.

Perforated the Upper Price River from 6877-6878', 6894-6895', 6919-6920', 6941-6942', 6947-6948', 6963-6964', 6968-6969', 6992-6993', 6998-6999', 7018-7019', 7042-7044' & 7051-7053' w/ 2 spf.

Perforated the Upper Price River from 6662-6663', 6692-6694', 6710-6712', 6740-6742', 6747-6748', 6758-6759', 6766-6767', 6776-6778', 6827-6828' & 6836-6837' w/ 2 spf.

Perforated the Upper Price River from 6431-6432', 6440-6441', 6452-6453', 6459-6460', 6483-6484', 6492-6493', 6497-6498', 6508-6509', 6534-6535', 6544-6546', 6567-6568', 6585-6586' & 6592-6593' w/ 2 spf.

Perforated the Upper Price River from 5991-5992', 6005-6006', 6047-6049', 6136-6137', 6146-6147', 6259-6261', 6300-6302', 6334-6335' & 6364-6365' w/ 2 spf.



January 22, 2006

EOG Resources, Inc. 600 Seventeenth St., Ste. 1100 N Denver, CO 80202 (303) 572-9000 Fax (303) 824-5400

Utah Division of Oil, Gas & Mining 1594 West North Temple P.O. Box 145801 Salt Lake City, UT 84114-5801

> RE: SC #19-03 T10S-R23E-Sec.3 Uintah, Utah

Gentlemen:

Enclosed herewith are the following logs and data associated with the subject well:

RST Sigma Log Gamma Ray Collar Log Cement Bond Log Temperature Log Gamma Ray Collar Log

If you have any questions, please do not hesitate to contact me.

Very truly yours,

EOG RESOURCES, INC.

Delores Montoya Exploration & Operations Senior Secretary Denver Office

Enc.

Cc: Well File

RECEIVED JAN 3 0 2007 DIV. OF OIL, GAS & MINING

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OM B No. 1004-0137 Expires: March 31, 200
 - T

5.	Lease Serial No.
	TITTI OAK12

SUNDRY NOTICES AND REI	UTU 80613	
Do not use this form for proposals t abandoned well. Use Form 3160-3 (o drill or to re-enter an	6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other insti	ructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Gas Well Other	8. Well Name and No.	
2. Name of Operator EOG RESOURCES, INC.	SOUTH CHAPITA 19-03 9. API Well No.	
3a Address	3b. Phone No. (include area code)	43-047-36906
P.O. Box 1815 Vernal, UT 84078 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	435-781-9111	10. Field and Pool, or Exploratory Area NATURAL BUTTES
1915 FNL 569 FEL (SE/NE) S.L.B.&M SECTION 3, T10S, R23E 39.979978 LAT 109.305003 LON		11. County or Parish, State UINTAH COUNTY, UTAH
12. CHECK APPROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTICE, F	REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent Subsequent Report Acidize Alter Casing Casing Repair	Deepen Production (State Production State Production Productio	Well Integrity Other
☐ Change Plans ☐ Convert to Injection	Plug and Abandon Temporarily Al Plug Back Water Disposal	pandon
13. Describe Proposed or Completed Operation (clearly state all pertir If the proposal is to deepen directionally or recomplete horizontally Attach the Bond under which the work will be performed or provisional following completion of the involved operations. If the operation testing has been completed. Final Abandonment Notices shall be determined that the site is ready for final inspection.) EOG Resources, Inc. requests authorization following locations.	y, give subsurface locations and measured and tro de the Bond No. on file with BLM/BIA. Requir results in a multiple completion or recompletion filed only after all requirements, including reclan	ne vertical depths of all pertinent markers and zones. ed subsequent reports shall be filed within 30 days in a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has
 Natural Buttes Unit 21-20B SWD. Ace Disposal RN Industries. Chapita Wells Unit 550-30N SWD (ROW # 	Utah I	ited by the Division of and Mining
	•	CORD ONLY
14. I hereby certify that the foregoing is true and correct		
Name (Printed/Typed) Kaylene R. Gardner	Title Sr. Regulatory Assists	ant
Signature		04/02/2007
Jahr Jank	FEDERAL OR STATE OFFICE	USE

which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Title

Office

(Instructions on page 2)

Approved by
Conditions of approval, if any, are attached. Approval of this notice does not warrant or

certify that the applicant holds legal or equitable title to those rights in the subject lease

APK U 5 2007

Date

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

UTU80613

abandoned well. Use form	If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No.		
SUBMIT IN TRIPLICATE - C			
Type of Well ☐ Oil Well ☐ Other		8. Well Name and No. SOUTH CHAPITA 19-03	
2. Name of Operator EOG RESOURCES, INC. E-M	Contact: MARY A. MAESTAS ail: mary_maestas@eogresources.com	9. API Well No. 43-047-36906	
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526 Fx: 303-824-5527	10. Field and Pool, or Exploratory NATURAL BUTTES	
4. Location of Well (Footage, Sec., T., R., M., or Sur	11. County or Parish, and State		
Sec 3 T10S R23E SENE 1915FNL 569FE 39.97998 N Lat, 109.30500 W Lon	UINTAH COUNTY, UT		
12. CHECK APPROPRIATE	BOX(ES) TO INDICATE NATURE OF NOTIC	E, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION		

☐ Acidize □ Production (Start/Resume) ■ Water Shut-Off □ Deepen ■ Notice of Intent ☐ Fracture Treat ■ Alter Casing ☐ Reclamation ■ Well Integrity Subsequent Report Other □ Casing Repair ■ New Construction ☐ Recomplete ☐ Final Abandonment Notice □ Change Plans Plug and Abandon ☐ Temporarily Abandon □ Convert to Injection □ Plug Back ■ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit on the referenced location was closed on 5/13/2009 as per the APD procedure.

Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY

JUN 0 8 2009

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #70443 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal							
Name (Printed/Typed) MARY A. MAESTAS	Title	REGULATORY ASSISTANT					
Signature Machigaronic Submission) action		Date 06/02/2009					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved By	Title		Date				
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.)					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.